



AGENDA

Thursday, July 24, 2014 - 10:00 AM
BOARD OF COUNTY COMMISSIONERS

Beginning Board Order No. 2014-79

CALL TO ORDER

- Roll Call
- Pledge of Allegiance

I. CITIZEN COMMUNICATION *(The Chair of the Board will call for statements from citizens regarding issues relating to County government. It is the intention that this portion of the agenda shall be limited to items of County business which are properly the object of Board consideration and may not be of a personal nature. Persons wishing to speak shall be allowed to do so after registering on the blue card provided on the table outside of the hearing room prior to the beginning of the meeting. Testimony is limited to three (3) minutes. Comments shall be respectful and courteous to all.)*

II. PUBLIC HEARING *(The following items will be individually presented by County staff or other appropriate individuals. Persons appearing shall clearly identify themselves and the organization they represent. In addition, a synopsis of each item, together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*

1. Board Order No. _____ Accepting a Transfer of Jurisdiction from Clackamas County to the City of Lake Oswego for Portions of Goodall Road and Knaus Road that are within the City Limits (Rick Maxwell, Department of Transportation and Development)

III. DISCUSSION ITEMS *(The following items will be individually presented by County staff or other appropriate individuals. Citizens who want to comment on a discussion item may do so when called on by the Chair.)*

~NO DISCUSSION ITEMS SCHEDULED

IV. CONSENT AGENDA *(The following items are considered to be routine, and therefore will not be allotted individual discussion time on the agenda. Many of these items have been discussed by the Board in Study Session. The items on the Consent Agenda will be approved in one motion unless a Board member requests, before the vote on the motion, to have an item considered at its regular place on the agenda.)*

A. Health, Housing & Human Services

- 2 1. Approval of a Renewal Grant Agreement with the US Department of Housing and Urban Development Continuum of Care Program for the Homeless Management Information System – *Community Development*
- 3 2. Approval of a Revenue Intergovernmental Agreement with the Workforce Investment Council of Clackamas County for Specialized Work Force Services – *Community Solutions*

4 3. Approval of Grant Agreement Amendment No 1 with the State of Oregon Department of Housing and Community Services to Administer Community Resource Division Funds which Funds a Variety of Social Services Programs – *Social Services*

5 4. Approval of Amendment No. 3 to a Sub-Award Agreement with Providence Health and Services, Oregon dba providence Portland Medical Center for Intensive Transition Teams Project Grant Funding - *Behavioral Health*

B. Finance Department

6 1. Approval of Purchase Twenty (20) 2014 V8 Dodge Charger LX Police Patrol Vehicles from Withnell Motor Company

C. Elected Officials

7 1. Approval of Previous Business Meeting Minutes – *BCC*

8 2. Approval of a Local Grant Agreement between Clackamas County District Attorney's Office and the Children's Center of Clackamas County - *DA*

D. Juvenile Department

9 1. Approval of a Personal Services Contract with Parrott Creek Child and Family Services to Provide Diversion Panel Services - *Purchasing*

V. COUNTY ADMINISTRATOR UPDATE

VI. COMMISSIONERS COMMUNICATION

NOTE: Regularly scheduled Business Meetings are televised and broadcast on the Clackamas County Government Channel. These programs are also accessible through the County's Internet site. DVD copies of regularly scheduled BCC Thursday Business Meetings are available for checkout at the Clackamas County Library in Oak Grove by the following Saturday. You may also order copies from any library in Clackamas County or the Clackamas County Government Channel.

www.clackamas.us/bcc/business.html



COPY

M. BARBARA CARTMILL
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

July 24, 2014

DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

Board of Commissioners
Clackamas County

Members of the Board:

A Board Order Accepting a Transfer of Jurisdiction from Clackamas County to the City of Lake Oswego for Portions of Goodall Road (County Road #676 & 1733, DTD #21474 & 21475) and Knaus Road (County Road #1796 & 676 , DTD #21034) that are within City Limits

Purpose/Outcomes	Transfers jurisdiction of portions of Goodall Road and Knaus Road that are inside the city limits, to the City of Lake Oswego.
Dollar Amount and Fiscal Impact	Cost savings in the form of staff time and materials related to the permitting, maintenance and oversight of this roadway.
Funding Source	Road Fund
Safety Impact	Transferring jurisdiction to the City will allow future development on Goodall Road and Knaus Road to be consistent throughout, and will alleviate confusion on the part of the public.
Duration	Upon execution; permanent.
Previous Board Action	N/A
Contact Person	Rick Maxwell, Engineering Tech; 503-742-4671

BACKGROUND

Clackamas County currently has jurisdiction, including permitting authority, enforcement of road standards, and maintenance responsibility of Goodall Road and Knaus Road. Property annexations in Lake Oswego have fractured the jurisdictional boundary of the road, some now within the city limits of Lake Oswego and some outside the city limits. Lake Oswego has passed resolutions to transfer jurisdiction of Goodall Road and Knaus Road that are within their city limits.

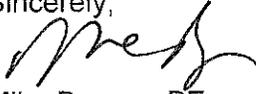
Transferring jurisdiction for these portions of Goodall Road and Knaus Road that are inside the city limits to the City of Lake Oswego will eliminate confusion and improve efficiencies of maintenance and public service. The City has already annexed the adjacent properties into the city.

This agreement has been reviewed and approved by County Counsel.

Recommendation:

Staff respectfully recommends that the Board approve this Board Order which permanently transfers jurisdiction of portions of Goodall Road and Knaus Road to the City of Lake Oswego.

Sincerely,



Mike Bezner, PE
Transportation Engineering Manager

For information on this issue or copies of attachments
please contact Rick Maxwell at (503) 742-4671

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

In the matter of transferring to the City of Lake Oswego, jurisdiction over portions of Goodall Road, County Road No. 676 & 1733, DTD No. 21474 & 21475, and Knaus Road, County Road No. 1796 & 676, DTD No. 21034



Order No.
Page 1 of 2

This matter coming before the Board of County Commissioners as a result of a request from the City of Lake Oswego, by Resolution Number 14-31 and 14-32, dated May 6, 2014, and the preceding negotiation between the City of Lake Oswego and Clackamas County Department of Transportation and Development to transfer portions of the following roads:

<u>Road Name</u>	<u>Cnty #</u>	<u>DTD #</u>	<u>From</u>	<u>To</u>	<u>Square Feet</u>
Goodall Road	676	21474	MP 0.02	MP 0.10	16,695
Goodall Road	1733	21475	MP 0.10	MP 0.63	169,408
Knaus Road	1796	21034	MP 0.00	MP 0.50	115,725
Knaus Road	676	21034	MP 0.50	MP 1.21	161,418; and,

It further appearing to the Board that said transfer of jurisdiction has been recommended by M. Barbara Cartmill, Director of the Department of Transportation and Development; and,

It further appearing to the Board that said transfer of jurisdiction is in the best interest of the citizens of Clackamas County; and,

It further appearing to the Board that pursuant to ORS 373.270, notice of the hearing on this matter was provided by publication in the Lake Oswego Review on 06/26/14, 07/03/14, 07/10/14 and 07/17/14; now therefore,

IT IS HEREBY ORDERED that jurisdiction of portions of Goodall Road and Knaus Road shall be transferred, Clackamas County jurisdiction shall cease, and full and absolute jurisdiction of said portions of roadway is transferred to the City of Lake Oswego as of the date of this Order; and,

IT IS FURTHER ORDERED that 463,246 square feet, more or less, be removed from the County's Road Inventory; and,

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

In the matter of transferring to the
City of Lake Oswego, jurisdiction over
portions of Goodall Road, County
Road No. 676 & 1733, DTD No. 21474 &
21475, and Knaus Road, County Road
No. 1796 & 676, DTD No. 21034



Order No.
Page 2 of 2

IT IS FURTHER ORDERED that
copies of this Order be submitted to the Clackamas County Clerk's office for recording and that
copies be subsequently sent without charge to the Clackamas County Surveyor, Tax Assessor,
Finance/Fixed Asset Offices, and DTD Engineering.

ADOPTED this 24th day of July, 2014.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary

RESOLUTION 14-31

A RESOLUTION OF THE LAKE OSWEGO CITY COUNCIL REQUESTING CLACKAMAS COUNTY TRANSFER JURISDICTION OF PORTIONS OF GOODALL ROAD INSIDE THE CITY LIMITS.

WHEREAS, ORS 373.270 authorizes the City to request that Clackamas County transfer jurisdiction of a County road such as Goodall Road that is within the City limits, and provides that upon the County Board of Commissioners' adoption of an order meeting the City's resolution, the jurisdiction of Clackamas County over the portions of Goodall Road as a County road that are inside the City limits shall cease, and the full and absolute jurisdiction over the portions of Goodall Road within the City limits shall for all purposes of repair, construction, improvement and the levying and collection of assessments including maintenance and permitting authority therefore shall vest in the City, except for any transfer reservations stated in the resolution; and

WHEREAS, there are existing portions of Goodall Road that have been previously transferred to the City, but there remain portions of annexed Goodall Road that have not been transferred to the City and the City does not act as the road authority for those portions; and

WHEREAS, fragmented jurisdiction, maintenance, permitting, and road standards over the various portions of Goodall Road results in confusion on the part of the public;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lake Oswego that:

Section 1. The City of Lake Oswego requests that Clackamas County transfer all jurisdiction over the all of the following roadway portion, all of which is within the City limits, pursuant to ORS 373.270:

- a. Goodall Road (all of Clackamas County Road Number 1733 and a portion of Clackamas County Road Number 676) from Country Club Road northerly to the existing City of Portland city limits along the south property line extension of 12833 Adrian Court. (See attached Exhibit A).

Section 2. Effective Date. This Resolution shall take effect upon passage.

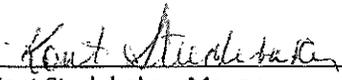
Considered and enacted at the regular meeting of the City Council of the City of Lake Oswego on the 6th day of May, 2014.

AYES: Mayor Studebaker, Bowerman, Gudman, Gustafson, Hughes, Jordan, O'Neill

NOES: None

ABSTAIN: None

EXCUSED: None



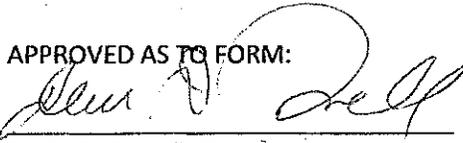
Kent Studebaker, Mayor

ATTEST:

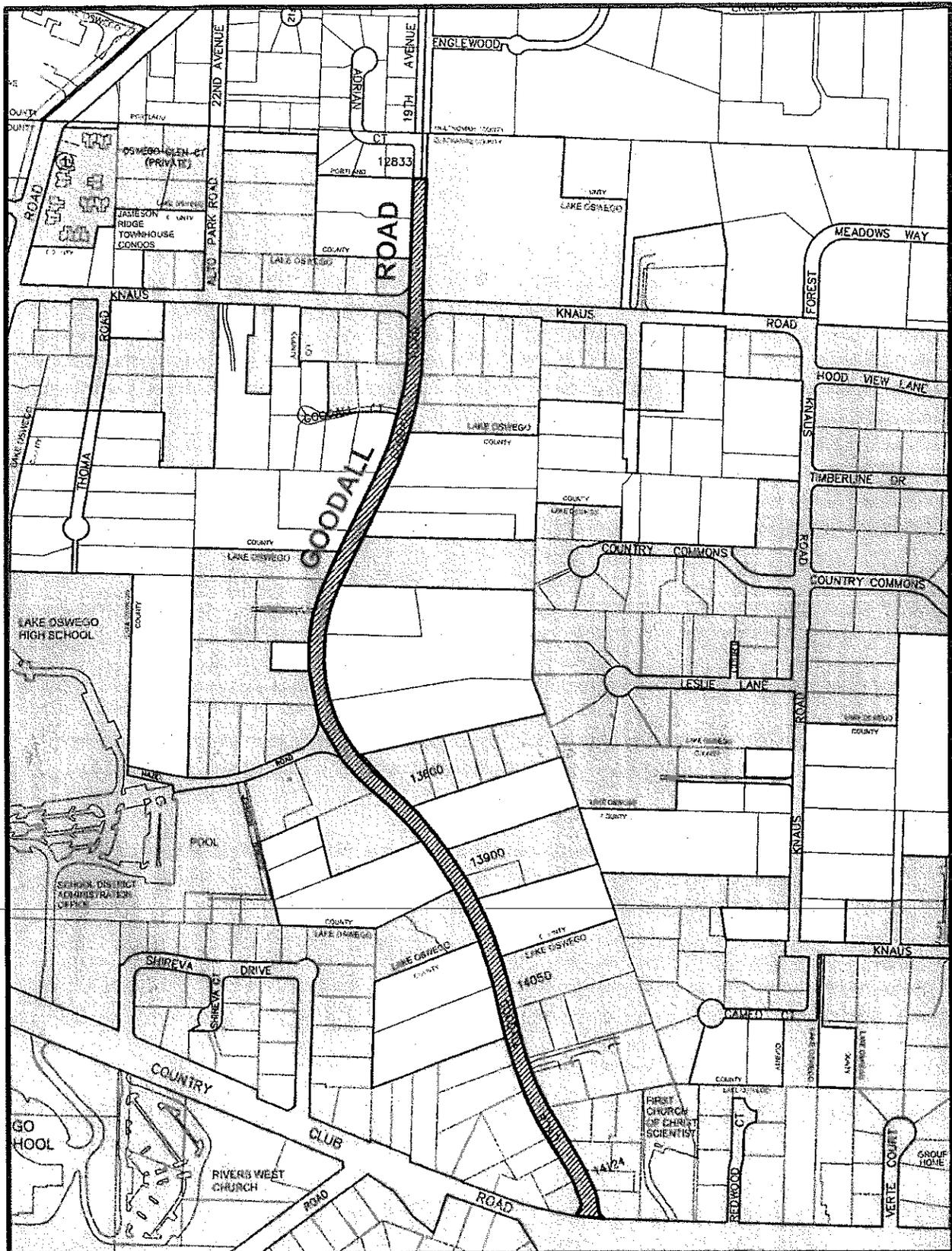


Catherine Schneider, City Recorder

APPROVED AS TO FORM:



David D. Powell, City Attorney



LEGEND

- ROAD TO BE TRANSFERRED BY RESOLUTION
- INSIDE CITY OF LAKE OSWEGO BOUNDARY

0 500'



EXHIBIT "A"
GOODALL ROAD
JURISDICTIONAL TRANSFER FROM
CLACKAMAS COUNTY

DRY-N-BY: RS	DESIGN BY: EM	DATE: 4/25/2014	PAGE: 1 OF 1
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RESOLUTION 14-32

A RESOLUTION OF THE LAKE OSWEGO CITY COUNCIL REQUESTING CLACKAMAS COUNTY TRANSFER JURISDICTION OF PORTIONS OF KNAUS ROAD INSIDE THE CITY LIMITS.

WHEREAS, ORS 373.270 authorizes the City to request that Clackamas County transfer jurisdiction of a County road such as Knaus Road that is within the City limits, and provides that upon the County Board of Commissioners' adoption of an order meeting the City's resolution, the jurisdiction of Clackamas County over the portions of Knaus Road as a County road that are inside the City limits shall cease, and the full and absolute jurisdiction over the portions of Knaus Road within the City limits shall for all purposes of repair, construction, improvement and the levying and collection of assessments including maintenance and permitting authority therefore shall vest in the City, except for any transfer reservations stated in the resolution; and

WHEREAS, there are existing portions of Knaus Road that have been previously transferred to the City, but there remain portions of annexed Knaus Road that have not been transferred to the City and the City does not act as the road authority for those portions; and

WHEREAS, fragmented jurisdiction, maintenance, permitting, and road standards over the various portions of Knaus Road results in confusion on the part of the public;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lake Oswego that:

Section 1. The City of Lake Oswego requests that Clackamas County transfer all jurisdiction over the the following roadway portion, all of which is within the City limits, pursuant to ORS 373.270:

- a. Knaus Road (all of Clackamas County Road Number 1796 and a portion of Clackamas County Road Number 676) from Country Club Road northerly and westerly to Boones Ferry Road. (See attached Exhibit A).

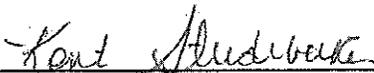
Section 2. Effective Date. This Resolution shall take effect upon passage. Considered and enacted at the regular meeting of the City Council of the City of Lake Oswego on the 6th day of May, 2014.

AYES: Mayor Studebaker, Bowerman, Gudman, Gustafson, Hughes, Jordan, O'Neill

NOES: None

ABSTAIN: None

EXCUSED: None



Kent Studebaker, Mayor

ATTEST:

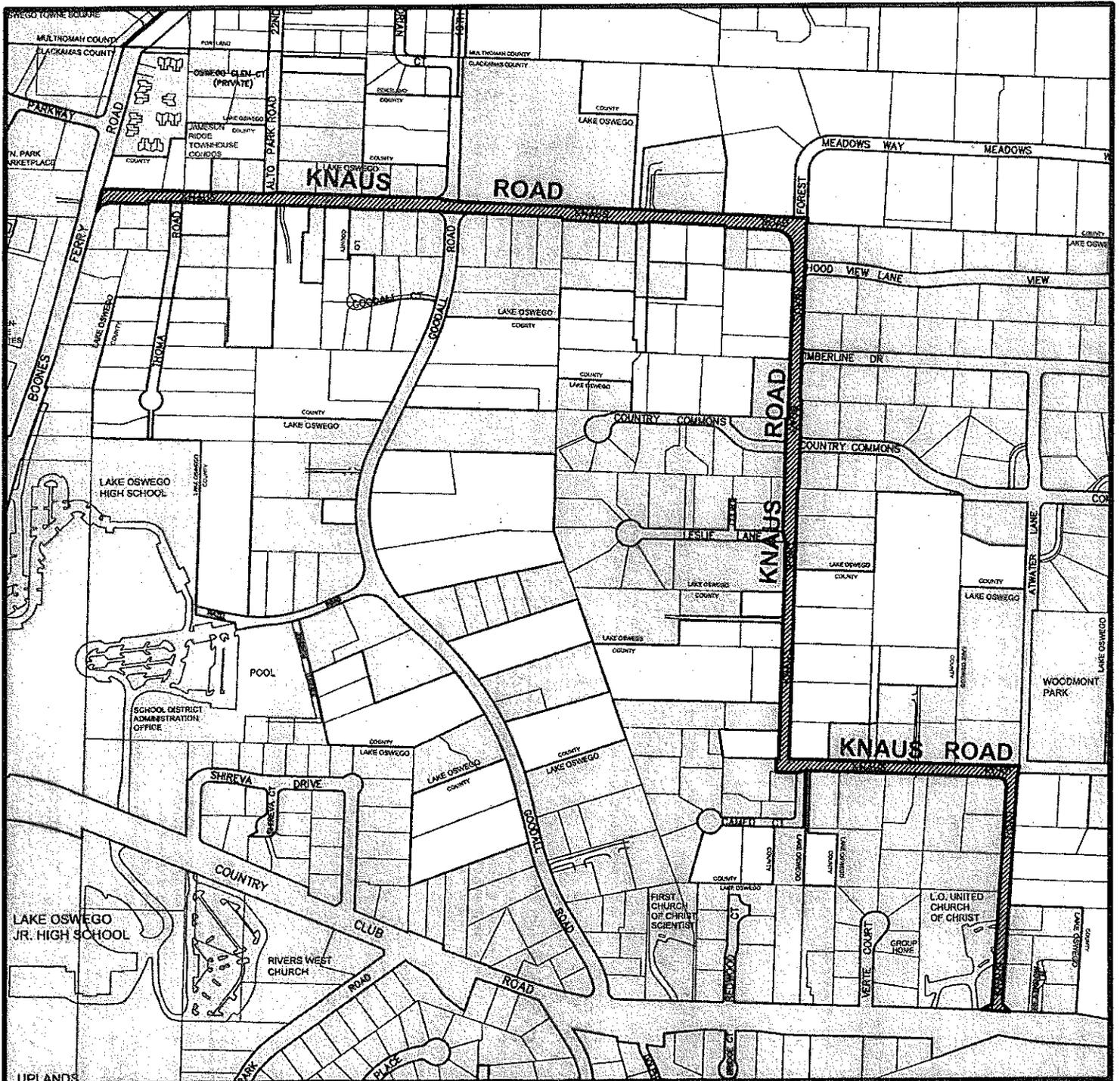
Catherine Schneider

Catherine Schneider, City Recorder

APPROVED AS TO FORM:

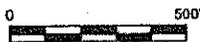
David D. Powell

David D. Powell, City Attorney



LEGEND

-  ROAD TO BE TRANSFERRED BY RESOLUTION
-  INSIDE CITY OF LAKE OSWEGO BOUNDARY



PUBLIC WORKS
DEPARTMENT

EXHIBIT "A"
KNAUS ROAD
JURISDICTIONAL TRANSFER FROM
CLACKAMAS COUNTY

DRAWN BY: RS	DESIGN BY: EM	DATE: 2/3/2014	PAGE: 1 OF 1
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July 24, 2014

Board of County Commissioner
Clackamas County

Members of the Board:

Approval of a Renewal Grant Agreement with the U.S Department of Housing and Urban Development, Continuum of Care Program, for the Homeless Management Information System

Purpose/Outcomes	Approval of grant agreements with the US Department of Housing and Urban Development (HUD) for the Homeless Management Information System (HMIS), a required information system used by programs receiving Continuum of Care (CoC) and Emergency Solutions Grant (ESG) funds to serve families and individuals who are homeless.
Dollar Amount and Fiscal Impact	The grant awards are for \$67,430 and \$37,012 for a one-year period, respectively. Housing and Community Development has been receiving funding for HMIS through the CoC since 2007. The grants require a 25% match or in-kind contribution, which is met with Emergency Solutions Grant (ESG) funds, totaling \$26,111. No County General Funds are involved.
Funding Source	HUD
Safety Impact	None
Duration	July 1, 2014 to June 30, 2015, with option for renewal
Previous Board Action	Approval to apply for these grants was granted on November 29, 2012
Contact Person	Chuck Robbins, Director, Housing and Community Development Division – 503-650-5666
Contract No.	6525 and 6860

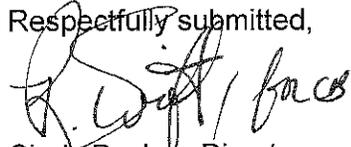
BACKGROUND:

The Homeless Management Information System (HMIS) is a web-based system the homeless assistance providers use to collect data, coordinated care, manage operations, and better serve people. HUD requires that all programs (excluding domestic violence service providers) who receive HUD Continuum of Care and Emergency Solutions Grant funds use the system to receiving funding. This includes both programs internal to H3S as well as programs operated by our nonprofit partners in the community. The HMIS is also used to report data on our Homeless Point in Time Count, Annual Homeless Assessment Report, and Continuum of Care Application.

RECOMMENDATION:

We recommend the approval of this grant agreement and that Cindy Becker, Director of Health, Housing and Human Services is authorized to sign all documents necessary to accomplish this action on behalf of the Board of County Commissioners.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "C. Becker", written over the printed name below.

Cindy Becker, Director

Ofc. of Assf. Secy., Comm. Planning, Develop., HUD

Pt. 578

(iv) Reprogramming ESG funds that have not yet been expended from affected activities to other eligible activities;

(v) Suspending disbursement of ESG funds for some or all activities;

(vi) Reducing or terminating the remaining grant of a subrecipient and re-allocating those funds to other sub-recipients; and

(vii) Making matching contributions before or as draws are made from the recipient's ESG grant.

(2) HUD may change the method of payment to a reimbursement basis.

(3) HUD may suspend payments to the extent HUD deems it necessary to preclude the further expenditure of funds for affected activities.

(4) HUD may remove the recipient from participation in reallocations of funds under subpart D of this part.

(5) HUD may deny matching credit for all or part of the cost of the affected activities and require the recipient to make further matching contributions to make up for the contribution determined to be ineligible.

(6) HUD may require the recipient to reimburse its line of credit in an amount equal to the funds used for the affected activities.

(7) HUD may reduce or terminate the remaining grant of a recipient and re-allocate those funds to other recipients in accordance with subpart D of this part.

(8) HUD may condition a future grant.

(9) HUD may take other remedies that are legally available.

(c) *Recipient sanctions.* If the recipient determines that a subrecipient is not complying with an ESG program requirement or its subgrant agreement, the recipient must take appropriate actions, as prescribed for HUD in paragraphs (a) and (b) of this section. If the recipient is a State and funds become available as a result of an action under this section, the recipient must re-allocate those funds to other subrecipients as soon as practicable. If the recipient is a unit of general purpose local government of territory, it must either re-allocate those funds to other subrecipients or reprogram the funds for other activities to be carried out by the recipient as soon as practicable. The re-

ipient must amend its Consolidated Plan in accordance with its citizenship participation plan if funds become available and are reallocated or reprogrammed under this section. The re-allocated or reprogrammed funds must be used by the expenditure deadline in §576.203.

PART 578—CONTINUUM OF CARE PROGRAM

Subpart A—General Provisions

- Sec.
- 578.1 Purpose and scope.
- 578.3 Definitions.

Subpart B—Establishing and Operating a Continuum of Care

- 578.5 Establishing the Continuum of Care.
- 578.7 Responsibilities of the Continuum of Care.
- 578.9 Preparing an application for funds.
- 578.11 Unified Funding Agency.
- 578.13 Remedial action.

Subpart C—Application and Grant Award Process

- 578.15 Eligible applicants.
- 578.17 Overview of application and grant award process.
- 578.19 Application process.
- 578.21 Awarding funds.
- 578.23 Executing grant agreements.
- 578.25 Site control.
- 578.27 Consolidated plan.
- 578.29 Subsidy layering.
- 578.31 Environmental review.
- 578.33 Renewals.
- 578.35 Appeal.

Subpart D—Program Components and Eligible Costs

- 578.37 Program components and uses of assistance.
- 578.39 Continuum of Care planning activities.
- 578.41 Unified Funding Agency costs.
- 578.43 Acquisition.
- 578.45 Rehabilitation.
- 578.47 New construction.
- 578.49 Leasing.
- 578.51 Rental assistance.
- 578.53 Supportive services.
- 578.55 Operating costs.
- 578.57 Homeless Management Information System.
- 578.59 Project administrative costs.
- 578.61 Relocation costs.
- 578.63 Indirect costs.

§ 578.1

24 CFR Ch. V (4-1-13 Edition)

Subpart E—High-Performing Communities

- 578.65 Standards.
- 578.67 Publication of application.
- 578.69 Cooperation among entities.
- 578.71 HPC-eligible activities.

Subpart F—Program Requirements

- 578.73 Matching requirements.
- 578.75 General operations.
- 578.77 Calculating occupancy charges and rent.
- 578.79 Limitation on transitional housing.
- 578.81 Term of commitment, repayment of grants, and prevention of undue benefits.
- 578.83 Displacement, relocation, and acquisition.
- 578.85 Timeliness standards.
- 578.87 Limitation on use of funds.
- 578.89 Limitation on use of grant funds to serve persons defined as homeless under other federal laws.
- 578.91 Termination of assistance to program participants.
- 578.93 Fair Housing and Equal Opportunity.
- 578.95 Conflicts of interest.
- 578.97 Program income.
- 578.99 Applicability of other federal requirements.

Subpart G—Grant Administration

- 578.101 Technical assistance.
- 578.103 Recordkeeping requirements.
- 578.105 Grant and project changes.
- 578.107 Sanctions.
- 578.109 Closeout.

AUTHORITY: 42 U.S.C. 11371 *et seq.*, 42 U.S.C. 5835(d).

SOURCE: 77 FR 45442, July 31, 2012, unless otherwise noted.

Subpart A—General Provisions

§ 578.1 Purpose and scope.

(a) The Continuum of Care program is authorized by subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381–11389).

(b) The program is designed to:

(1) Promote communitywide commitment to the goal of ending homelessness;

(2) Provide funding for efforts by non-profit providers, States, and local governments to quickly rehouse homeless individuals (including unaccompanied youth) and families, while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness;

(3) Promote access to and effective utilization of mainstream programs by homeless individuals and families; and

(4) Optimize self-sufficiency among individuals and families experiencing homelessness.

§ 578.3 Definitions.

As used in this part:

Act means the McKinney-Vento Homeless Assistance Act as amended (42 U.S.C. 11371 *et seq.*).

Annual renewal amount means the amount that a grant can be awarded on an annual basis when renewed. It includes funds only for those eligible activities (operating, supportive services, leasing, rental assistance, HMIS, and administration) that were funded in the original grant (or the original grant as amended), less the unrenovable activities (acquisition, new construction, rehabilitation, and any administrative costs related to these activities).

Applicant means an eligible applicant that has been designated by the Continuum of Care to apply for assistance under this part on behalf of that Continuum.

At risk of homelessness. (1) An individual or family who:

(i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;

(ii) Does not have sufficient resources or support networks, *e.g.*, family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “Homeless” definition in this section; and

(iii) Meets one of the following conditions:

(A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

(B) Is living in the home of another because of economic hardship;

(C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days of the date of application for assistance;

(D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid

by charitable organizations or by federal, State, or local government programs for low-income individuals;

(E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons, or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;

(F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or

(G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

(2) A child or youth who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

Centralized or coordinated assessment system means a centralized or coordinated process designed to coordinate program participant intake assessment and provision of referrals. A centralized or coordinated assessment system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool.

Chronically homeless. (1) An individual who:

(i) Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and

(ii) Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and

(iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;

(2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or

(3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

Collaborative applicant means the eligible applicant that has been designated by the Continuum of Care to apply for a grant for Continuum of Care planning funds under this part on behalf of the Continuum.

Consolidated plan means the HUD-approved plan developed in accordance with 24 CFR 91.

Continuum of Care and Continuum means the group organized to carry out the responsibilities required under this part and that is composed of representatives of organizations, including non-profit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school

districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons to the extent these groups are represented within the geographic area and are available to participate.

Developmental disability means, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002):

(1) A severe, chronic disability of an individual that—

(i) Is attributable to a mental or physical impairment or combination of mental and physical impairments;

(ii) Is manifested before the individual attains age 22;

(iii) Is likely to continue indefinitely;

(iv) Results in substantial functional limitations in three or more of the following areas of major life activity:

(A) Self-care;

(B) Receptive and expressive language;

(C) Learning;

(D) Mobility;

(E) Self-direction;

(F) Capacity for independent living;

(G) Economic self-sufficiency.

(v) Reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(2) An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting three or more of the criteria described in paragraphs (1)(i) through (v) of the definition of "developmental disability" in this section if the individual, without services and supports, has a high probability of meeting these criteria later in life.

Eligible applicant means a private nonprofit organization, State, local government, or instrumentality of State and local government.

Emergency shelter is defined in 24 CFR part 576.

Emergency Solutions Grants (ESG) means the grants provided under 24 CFR part 576.

Fair Market Rent (FMR) means the Fair Market Rents published in the FEDERAL REGISTER annually by HUD.

High-performing community (HPC) means a Continuum of Care that meets the standards in subpart E of this part and has been designated as a high-performing community by HUD.

Homeless means:

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

(i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

(ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, State, or local government programs for low-income individuals); or

(iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

(2) An individual or family who will imminently lose their primary nighttime residence, provided that:

(1) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;

(ii) No subsequent residence has been identified; and

(iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;

(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

(i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637

of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

(ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;

(iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

(iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities; chronic physical health or mental health conditions; substance addiction; histories of domestic violence or childhood abuse (including neglect); the presence of a child or youth with a disability; or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

(4) Any individual or family who:

(i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;

(ii) Has no other residence; and

(iii) Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

Homeless Management Information System (HMIS) means the information system designated by the Continuum of

Care to comply with the HMIS requirements prescribed by HUD.

HMIS Lead means the entity designated by the Continuum of Care in accordance with this part to operate the Continuum's HMIS on its behalf.

Permanent housing means community-based housing without a designated length of stay, and includes both permanent supportive housing and rapid rehousing. To be permanent housing, the program participant must be the tenant on a lease for a term of at least one year, which is renewable for terms that are a minimum of one month long, and is terminable only for cause.

Permanent supportive housing means permanent housing in which supportive services are provided to assist homeless persons with a disability to live independently.

Point-in-time count means a count of sheltered and unsheltered homeless persons carried out on one night in the last 10 calendar days of January or at such other time as required by HUD.

Private nonprofit organization means an organization:

(1) No part of the net earnings of which inure to the benefit of any member, founder, contributor, or individual;

(2) That has a voluntary board;

(3) That has a functioning accounting system that is operated in accordance with generally accepted accounting principles, or has designated a fiscal agent that will maintain a functioning accounting system for the organization in accordance with generally accepted accounting principles; and

(4) That practices nondiscrimination in the provision of assistance.

A private nonprofit organization does not include governmental organizations, such as public housing agencies.

Program participant means an individual (including an unaccompanied youth) or family who is assisted with Continuum of Care program funds.

Project means a group of eligible activities, such as HMIS costs, identified as a project in an application to HUD for Continuum of Care funds and includes a structure (or structures) that is (are) acquired, rehabilitated, constructed, or leased with assistance provided under this part or with respect to which HUD provides rental assistance

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or annual payments for operating costs, or supportive services under this subtitle.

Recipient means an applicant that signs a grant agreement with HUD.

Safe haven means, for the purpose of defining chronically homeless, supportive housing that meets the following:

- (1) Serves hard to reach homeless persons with severe mental illness who came from the streets and have been unwilling or unable to participate in supportive services;
- (2) Provides 24-hour residence for eligible persons for an unspecified period;
- (3) Has an overnight capacity limited to 25 or fewer persons; and
- (4) Provides low-demand services and referrals for the residents.

State means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Marianas, and the Virgin Islands.

Subrecipient means a private nonprofit organization, State, local government, or instrumentality of State or local government that receives a subgrant from the recipient to carry out a project.

Transitional housing means housing, where all program participants have signed a lease or occupancy agreement, the purpose of which is to facilitate the movement of homeless individuals and families into permanent housing within 24 months or such longer period as HUD determines necessary. The program participant must have a lease or occupancy agreement for a term of at least one month that ends in 24 months and cannot be extended.

Unified Funding Agency (UFA) means an eligible applicant selected by the Continuum of Care to apply for a grant for the entire Continuum, which has the capacity to carry out the duties in § 578.11(b), which is approved by HUD and to which HUD awards a grant.

Victim service provider means a private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. This term includes rape crisis centers, battered women's shelters, domestic vio-

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lence transitional housing programs, and other programs.

Subpart B—Establishing and Operating a Continuum of Care

§ 578.5 Establishing the Continuum of Care.

(a) *The Continuum of Care.* Representatives from relevant organizations within a geographic area shall establish a Continuum of Care for the geographic area to carry out the duties of this part. Relevant organizations include nonprofit homeless assistance providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, and organizations that serve veterans and homeless and formerly homeless individuals.

(b) *The board.* The Continuum of Care must establish a board to act on behalf of the Continuum using the process established as a requirement by § 578.7(a)(3) and must comply with the conflict-of-interest requirements at § 578.95(b). The board must:

- (1) Be representative of the relevant organizations and of projects serving homeless subpopulations; and
- (2) Include at least one homeless or formerly homeless individual.

(c) *Transition.* Continuums of Care shall have 2 years after August 30, 2012 to comply with the requirements of paragraph (b) of this section.

§ 578.7 Responsibilities of the Continuum of Care.

(a) *Operate the Continuum of Care.* The Continuum of Care must:

- (1) Hold meetings of the full membership, with published agendas, at least semi-annually;
- (2) Make an invitation for new members to join publicly available within the geographic area at least annually;
- (3) Adopt and follow a written process to select a board to act on behalf of the Continuum of Care. The process must be reviewed, updated, and approved by the Continuum at least once every 5 years;

(4) Appoint additional committees, subcommittees, or workgroups;

(5) In consultation with the collaborative applicant and the HMIS Lead, develop, follow, and update annually a governance charter, which will include all procedures and policies needed to comply with subpart B of this part and with HMIS requirements as prescribed by HUD; and a code of conduct and recusal process for the board, its chair(s), and any person acting on behalf of the board;

(6) Consult with recipients and subrecipients to establish performance targets appropriate for population and program type, monitor recipient and subrecipient performance, evaluate outcomes, and take action against poor performers;

(7) Evaluate outcomes of projects funded under the Emergency Solutions Grants program and the Continuum of Care program, and report to HUD;

(8) In consultation with recipients of Emergency Solutions Grants program funds within the geographic area, establish and operate either a centralized or coordinated assessment system that provides an initial, comprehensive assessment of the needs of individuals and families for housing and services. The Continuum must develop a specific policy to guide the operation of the centralized or coordinated assessment system on how its system will address the needs of individuals and families who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, or stalking, but who are seeking shelter or services from non-victim service providers. This system must comply with any requirements established by HUD by Notice.

(9) In consultation with recipients of Emergency Solutions Grants program funds within the geographic area, establish and consistently follow written standards for providing Continuum of Care assistance. At a minimum, these written standards must include:

(i) Policies and procedures for evaluating individuals' and families' eligibility for assistance under this part;

(ii) Policies and procedures for determining and prioritizing which eligible individuals and families will receive transitional housing assistance;

(iii) Policies and procedures for determining and prioritizing which eligible individuals and families will receive rapid rehousing assistance;

(iv) Standards for determining what percentage or amount of rent each program participant must pay while receiving rapid rehousing assistance;

(v) Policies and procedures for determining and prioritizing which eligible individuals and families will receive permanent supportive housing assistance; and

(vi) Where the Continuum is designated a high-performing community, as described in subpart G of this part, policies and procedures set forth in 24 CFR 576.400(e)(3)(vi), (e)(3)(vii), (e)(3)(viii), and (e)(3)(ix).

(b) *Designating and operating an HMIS.* The Continuum of Care must:

(1) Designate a single Homeless Management Information System (HMIS) for the geographic area;

(2) Designate an eligible applicant to manage the Continuum's HMIS, which will be known as the HMIS Lead;

(3) Review, revise, and approve a privacy plan, security plan, and data quality plan for the HMIS.

(4) Ensure consistent participation of recipients and subrecipients in the HMIS; and

(5) Ensure the HMIS is administered in compliance with requirements prescribed by HUD.

(c) *Continuum of Care planning.* The Continuum must develop a plan that includes:

(1) Coordinating the implementation of a housing and service system within its geographic area that meets the needs of the homeless individuals (including unaccompanied youth) and families. At a minimum, such system encompasses the following:

(i) Outreach, engagement, and assessment;

(ii) Shelter, housing, and supportive services;

(iii) Prevention strategies.

(2) Planning for and conducting, at least biennially, a point-in-time count of homeless persons within the geographic area that meets the following requirements:

(i) Homeless persons who are living in a place not designed or ordinarily

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used as a regular sleeping accommodation for humans must be counted as unsheltered homeless persons.

(i) Persons living in emergency shelters and transitional housing projects must be counted as sheltered homeless persons.

(iii) Other requirements established by HUD by Notice.

(3) Conducting an annual gaps analysis of the homeless needs and services available within the geographic area;

(4) Providing information required to complete the Consolidated Plan(s) within the Continuum's geographic area;

(5) Consulting with State and local government Emergency Solutions Grants program recipients within the Continuum's geographic area on the plan for allocating Emergency Solutions Grants program funds and reporting on and evaluating the performance of Emergency Solutions Grants program recipients and subrecipients.

§ 578.9 Preparing an application for funds.

(a) The Continuum must:

(1) Design, operate, and follow a collaborative process for the development of applications and approve the submission of applications in response to a NOFA published by HUD under § 578.19 of this subpart;

(2) Establish priorities for funding projects in the geographic area;

(3) Determine if one application for funding will be submitted for all projects within the geographic area or if more than one application will be submitted for the projects within the geographic area;

(i) If more than one application will be submitted, designate an eligible applicant that will collect and combine the required application information from all applicants and for all projects within the geographic area that the Continuum has selected funding. The collaborative applicant will also apply for Continuum of Care planning activities. If the Continuum is an eligible applicant, it may designate itself;

(ii) If only one application will be submitted, that applicant will be the collaborative applicant and will collect and combine the required application

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information from all projects within the geographic area that the Continuum has selected for funding and apply for Continuum of Care planning activities;

(b) The Continuum retains all of its responsibilities, even if it designates one or more eligible applicants other than itself to apply for funds on behalf of the Continuum. This includes approving the Continuum of Care application.

§ 578.11 Unified Funding Agency.

(a) *Becoming a Unified Funding Agency.* To become designated as the Unified Funding Agency (UFA) for a Continuum, a collaborative applicant must be selected by the Continuum to apply to HUD to be designated as the UFA for the Continuum.

(b) *Criteria for designating a UFA.* HUD will consider these criteria when deciding whether to designate a collaborative applicant a UFA:

(1) The Continuum of Care it represents meets the requirements in § 578.7;

(2) The collaborative applicant has financial management systems that meet the standards set forth in 24 CFR 84.21 (for nonprofit organizations) and 24 CFR 85.20 (for States);

(3) The collaborative applicant demonstrates the ability to monitor subrecipients; and

(4) Such other criteria as HUD may establish by NOFA.

(c) *Requirements.* HUD-designated UFAs shall:

(1) Apply to HUD for funding for all of the projects within the geographic area and enter into a grant agreement with HUD for the entire geographic area.

(2) Enter into legally binding agreements with subrecipients, and receive and distribute funds to subrecipients for all projects within the geographic area.

(3) Require subrecipients to establish fiscal control and accounting procedures as necessary to assure the proper disbursement of and accounting for federal funds in accordance with the requirements of 24 CFR parts 84 and 85 and corresponding OMB circulars.

(4) Obtain approval of any proposed grant agreement amendments by the

Continuum of Care before submitting a request for an amendment to HUD.

§ 578.13 Remedial action.

(a) If HUD finds that the Continuum of Care for a geographic area does not meet the requirements of the Act or its implementing regulations, or that there is no Continuum for a geographic area, HUD may take remedial action to ensure fair distribution of grant funds within the geographic area. Such measures may include:

(1) Designating a replacement Continuum of Care for the geographic area;

(2) Designating a replacement collaborative applicant for the Continuum's geographic area; and

(3) Accepting applications from other eligible applicants within the Continuum's geographic area.

(b) HUD must provide a 30-day prior written notice to the Continuum and its collaborative applicant and give them an opportunity to respond.

Subpart C—Application and Grant Award Process

§ 578.15 Eligible applicants.

(a) *Who may apply.* Nonprofit organizations, States, local governments, and instrumentalities of State or local governments are eligible to apply for grants.

(b) *Designation by the Continuum of Care.* Eligible applicant(s) must have been designated by the Continuum of Care to submit an application for grant funds under this part. The designation must state whether the Continuum is designating more than one applicant to apply for funds and, if it is, which applicant is being designated as the collaborative applicant. If the Continuum is designating only one applicant to apply for funds, the Continuum must designate that applicant to be the collaborative applicant.

(c) *Exclusion.* For-profit entities are not eligible to apply for grants or to be subrecipients of grant funds.

§ 578.17 Overview of application and grant award process.

(a) *Formula.* (1) After enactment of the annual appropriations act for each fiscal year, and issuance of the NOFA, HUD will publish, on its Web site, the

Preliminary Pro Rata Need (PPRN) assigned to metropolitan cities, urban counties, and all other counties.

(2) HUD will apply the formula used to determine PPRN established in paragraph (a)(3) of this section, to the amount of funds being made available under the NOFA. That amount is calculated by:

(i) Determining the total amount for the Continuum of Care competition in accordance with section 413 of the Act or as otherwise directed by the annual appropriations act;

(ii) From the amount in paragraph (a)(2)(i) of this section, deducting the amount published in the NOFA as being set aside to provide a bonus to geographic areas for activities that have proven to be effective in reducing homelessness generally or for specific subpopulations listed in the NOFA or achieving homeless prevention and independent living goals established in the NOFA and to meet policy priorities set in the NOFA; and

(iii) Deducting the amount of funding necessary for Continuum of Care planning activities and UFA costs.

(3) PPRN is calculated on the amount determined under paragraph (a)(2) of this section by using the following formula:

(i) Two percent will be allocated among the four insular areas (American Samoa, Guam, the Commonwealth of the Northern Marianas, and the Virgin Islands) on the basis of the ratio of the population of each insular area to the population of all insular areas.

(ii) Seventy-five percent of the remaining amount will be allocated, using the Community Development Block Grant (CDBG) formula, to metropolitan cities and urban counties that have been funded under either the Emergency Shelter Grants or Emergency Solutions Grants programs in any one year since 2004.

(iii) The amount remaining after the allocation under paragraphs (a)(1) and (2) of this section will be allocated, using the CDBG formula, to metropolitan cities and urban counties that have not been funded under the Emergency Solutions Grants program in any year since 2004 and all other counties in the United States and Puerto Rico.

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(4) If the calculation in paragraph (a)(2) of this section results in an amount less than the amount required to renew all projects eligible for renewal in that year for at least one year, after making adjustments proportional to increases in fair market rents for the geographic area for leasing, operating, and rental assistance for permanent housing, HUD will reduce, proportionately, the total amount required to renew all projects eligible for renewal in that year for at least one year, for each Continuum of Care. HUD will publish, via the NOFA, the total dollar amount that every Continuum will be required to deduct from renewal projects Continuum-wide.

(b) *Calculating a Continuum of Care's maximum award amount.* (1) *Establish the PPRN amount.* First, HUD will total the PPRN amounts for each metropolitan city, urban county, other county, and insular area claimed by the Continuum as part of its geographic area, excluding any counties applying for or receiving funding from the Rural Housing Stability Assistance program under 24 CFR part 579.

(2) *Establishing renewal demand.* Next, HUD will determine the renewal demand within the Continuum's geographic area. Renewal demand is the sum of the annual renewal amounts of all projects within the Continuum eligible to apply for renewal in that fiscal year's competition, before any adjustments to rental assistance, leasing, and operating line items based on FMR changes.

(3) *Establishing FPRN.* The higher of PPRN or renewal demand for the Continuum of Care is the FPRN, which is the base for the maximum award amount for the Continuum.

(4) *Establishing the maximum award amount.* The maximum award amount for the Continuum is the FPRN amount plus any additional eligible amounts for Continuum planning; UFA costs; adjustments to leasing, operating and rental assistance line items based on changes to FMR; and available bonuses.

§578.19 Application process.

(a) *Notice of Funding Availability.* After enactment of the annual appropriations act for the fiscal year, HUD

will issue a NOFA in accordance with the requirements of 24 CFR part 4.

(b) *Applications.* All applications to HUD, including applications for grant funds and requests for designation as a UFA or HPC, must be submitted at such time and in such manner as HUD may require, and contain such information as HUD determines necessary. At a minimum, an application for grant funds must contain a list of the projects for which it is applying for funds; a description of the projects; a list of the projects that will be carried out by subrecipients and the names of the subrecipients; a description of the subpopulations of homeless or at risk of homelessness to be served by projects; the number of units to be provided and/or the number of persons to be served by each project; a budget request by project; and reasonable assurances that the applicant, or the subrecipient, will own or have control of a site for the proposed project not later than the expiration of the 12-month period beginning upon notification of an award for grant assistance.

§578.21 Awarding funds.

(a) *Selection.* HUD will review applications in accordance with the guidelines and procedures provided in the NOFA and will award funds to recipients through a national competition based on selection criteria as defined in section 427 of the Act.

(b) *Announcement of awards.* HUD will announce awards and notify selected applicants of any conditions imposed on awards. Conditions must be satisfied before HUD will execute a grant agreement with the applicant.

(c) *Satisfying conditions.* HUD will withdraw an award if the applicant does not satisfy all conditions imposed on it. Correcting all issues and conditions attached to an award must be completed within the time frame established in the NOFA. Proof of site control, match, environmental review, and the documentation of financial feasibility must be completed within 12 months of the announcement of the award, or 24 months in the case of funds for acquisition, rehabilitation, or new construction. The 12-month deadline may be extended by HUD for up to 12 additional months upon a showing of

compelling reasons for delay due to factors beyond the control of the recipient or subrecipient.

§ 578.23 Executing grant agreements.

(a) *Deadline.* No later than 45 days from the date when all conditions are satisfied, the recipient and HUD must execute the grant agreement.

(b) *Grant agreements.* (1) *Multiple applicants for one Continuum.* If a Continuum designates more than one applicant for the geographic area, HUD will enter into a grant agreement with each designated applicant for which an award is announced.

(2) *One applicant for a Continuum.* If a Continuum designates only one applicant for the geographic area, after awarding funds, HUD may enter into a grant agreement with that applicant for new awards, if any, and one grant agreement for renewals, Continuum of Care planning, and UFA costs, if any. These two grants will cover the entire geographic area. A default by the recipient under one of those grant agreements will also be a default under the other.

(3) *Unified Funding Agencies.* If a Continuum is a UFA that HUD has approved, then HUD will enter into one grant agreement with the UFA for new awards, if any, and one grant agreement for renewals, Continuum of Care planning and UFA costs, if any. These two grants will cover the entire geographic area. A default by the UFA under one of those grant agreements will also be a default under the other.

(c) *Required agreements.* Recipients will be required to sign a grant agreement in which the recipient agrees:

(1) To ensure the operation of the project(s) in accordance with the provisions of the McKinney-Veto Act and all requirements under 24 CFR part 578;

(2) To monitor and report the progress of the project(s) to the Continuum of Care and HUD;

(3) To ensure, to the maximum extent practicable, that individuals and families experiencing homelessness are involved, through employment, provision of volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating facilities for the project and in providing supportive services for the project;

(4) To require certification from all subrecipients that:

(i) Subrecipients will maintain the confidentiality of records pertaining to any individual or family that was provided family violence prevention or treatment services through the project;

(ii) The address or location of any family violence project assisted under this part will not be made public, except with written authorization of the person responsible for the operation of such project;

(iii) Subrecipients will establish policies and practices that are consistent with, and do not restrict, the exercise of rights provided by subtitle B of title VII of the Act and other laws relating to the provision of educational and related services to individuals and families experiencing homelessness;

(iv) In the case of projects that provide housing or services to families, that subrecipients will designate a staff person to be responsible for ensuring that children being served in the program are enrolled in school and connected to appropriate services in the community, including early childhood programs such as Head Start, part C of the Individuals with Disabilities Education Act, and programs authorized under subtitle B of title VII of the Act;

(v) The subrecipient, its officers, and employees are not debarred or suspended from doing business with the Federal Government; and

(vi) Subrecipients will provide information, such as data and reports, as required by HUD; and

(5) To establish such fiscal control and accounting procedures as may be necessary to assure the proper disbursement of, and accounting for grant funds in order to ensure that all financial transactions are conducted, and records maintained in accordance with generally accepted accounting principles, if the recipient is a UFA;

(6) To monitor subrecipient match and report on match to HUD;

(7) To take the educational needs of children into account when families are placed in housing and will, to the maximum extent practicable, place families with children as close as possible to their school of origin so as not to disrupt such children's education;

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(8) To monitor subrecipients at least annually;

(9) To use the centralized or coordinated assessment system established by the Continuum of Care as set forth in § 578.7(a)(8). A victim service provider may choose not to use the Continuum of Care's centralized or coordinated assessment system, provided that victim service providers in the area use a centralized or coordinated assessment system that meets HUD's minimum requirements and the victim service provider uses that system instead;

(10) To follow the written standards for providing Continuum of Care assistance developed by the Continuum of Care, including the minimum requirements set forth in § 578.7(a)(9);

(11) Enter into subrecipient agreements requiring subrecipients to operate the project(s) in accordance with the provisions of this Act and all requirements under 24 CFR part 578; and

(12) To comply with such other terms and conditions as HUD may establish by NOFA.

§ 578.25 Site control.

(a) *In general.* When grant funds will be used for acquisition, rehabilitation, new construction, operating costs, or to provide supportive services, the recipient or subrecipient must demonstrate that it has site control within the time frame established in section § 578.21 before HUD will execute a grant agreement. This requirement does not apply to funds used for housing that will eventually be owned or controlled by the individuals or families served or for supportive services provided at sites not operated by the recipient or subrecipient.

(b) *Evidence.* Acceptable evidence of site control is a deed or lease. If grant funds will be used for acquisition, acceptable evidence of site control will be a purchase agreement. The owner, lessee, and purchaser shown on these documents must be the selected applicant or intended subrecipient identified in the application for assistance.

(c) *Tax credit projects.* (1) Applicants that plan to use the low-income housing tax credit authorized under 26 U.S.C. 42 to finance a project must prove to HUD's satisfaction that the

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applicant or subrecipient identified in the application is in control of the limited partnership or limited liability corporation that has a deed or lease for the project site.

(i) To have control of the limited partnership, the applicant or subrecipient must be the general partner of the limited partnership or have a 51 percent controlling interest in that general partner.

(ii) To have control of the limited liability company, the applicant or subrecipient must be the sole managing member.

(2) If grant funds are to be used for acquisition, rehabilitation, or new construction, the recipient or subrecipient must maintain control of the partnership or corporation and must ensure that the project is operated in compliance with law and regulation for 15 years from the date of initial occupancy or initial service provision. The partnership or corporation must own the project site throughout the 15-year period. If grant funds were not used for acquisition, rehabilitation, or new construction, then the recipient or subrecipient must maintain control for the term of the grant agreement and any renewals thereof.

§ 578.27 Consolidated plan.

(a) *States or units of general local government.* An applicant that is a State or a unit of general local government must have a HUD-approved, complete or abbreviated, consolidated plan in accordance with 24 CFR part 91. The applicant must submit a certification that the application for funding is consistent with the HUD-approved consolidated plan(s) for the jurisdiction(s) in which the proposed project will be located. Funded applicants must certify in a grant agreement that they are following the HUD-approved consolidated plan.

(b) *Other applicants.* Applicants that are not States or units of general local government must submit a certification by the jurisdiction(s) in which the proposed project will be located that the applicant's application for funding is consistent with the jurisdiction's HUD-approved consolidated plan. The certification must be made by the unit of general local government or the

State, in accordance with the consistency certification provisions under 24 CFR part 91, subpart F. If the jurisdiction refuses to provide a certification of consistency, the applicant may appeal to HUD under § 578.35.

(c) *Timing of consolidated plan certification submissions.* The required certification that the application for funding is consistent with the HUD-approved consolidated plan must be submitted by the funding application submission deadline announced in the NOFA.

§ 578.29 Subsidy layering.

HUD may provide assistance under this program only in accordance with HUD subsidy layering requirements in section 102 of the Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545) and 24 CFR part 4, subpart A. An applicant must submit information in its application on other sources of governmental assistance that the applicant has received, or reasonably expects to receive, for a proposed project or activities. HUD's review of this information is intended to prevent excessive public assistance for proposed project or activities by combining (layering) assistance under this program with other governmental housing assistance from federal, State, or local agencies, including assistance such as tax concessions or tax credits.

§ 578.31 Environmental review.

(a) Activities under this part are subject to environmental review by HUD under 24 CFR part 50. The recipient or subrecipient shall supply all available, relevant information necessary for HUD to perform, for each property, any environmental review required by 24 CFR part 50. The recipient or subrecipient must carry out mitigating measures required by HUD or select an alternate eligible property. HUD may eliminate from consideration any application that would require an Environmental Impact Statement.

(b) The recipient or subrecipient, its project partners, and their contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a project under this part, or commit or expend HUD or local funds for such eligible activities under this part, until HUD has per-

formed an environmental review under 24 CFR part 50 and the recipient or subrecipient has received HUD approval of the property.

§ 578.33 Renewals.

(a) *In general.* Awards made under this part and title IV of the Act, as in effect before August 30, 2012 (the Supportive Housing Program and the Shelter Plus Care program), may be renewed to continue ongoing leasing, operations, supportive services, rental assistance, HMIS, and administration beyond the initial funding period. To be considered for funding, recipients must submit a request in a form specified by HUD, must meet the requirements of this part, and must submit the request within the time frame established by HUD.

(b) *Length of renewal.* HUD may award up to 3 years of funds for supportive services, leasing, HMIS, and operating costs. Renewals of tenant-based and sponsor-based rental assistance may be for up to one year of rental assistance. Renewals of project-based rental assistance may be for up to 15 years of rental assistance, subject to availability of annual appropriations.

(c) *Assistance available.* (1) Assistance during each year of a renewal period may be for:

(i) Up to 100 percent of the amount for supportive services and HMIS costs in the final year of the prior funding period;

(ii) Up to 100 percent of the amount for leasing and operating in the final year of the prior funding period adjusted in proportion to changes in the FMR for the geographic area; and

(iii) For rental assistance, up to 100 percent of the result of multiplying the number and unit size(s) in the grant agreement by the number of months in the renewal grant term and the applicable FMR.

(d) *Review criteria.* (1) Awards made under title IV of the Act, as in effect before August 30, 2012 are eligible for renewal in the Continuum of Care program even if the awardees would not be eligible for a new grant under the program, so long as they continue to serve the same population and the same number of persons or units in the same type of housing as identified in their

most recently amended grant agreement signed before August 30, 2012. Grants will be renewed if HUD receives a certification from the Continuum that there is a demonstrated need for the project, and HUD finds that the project complied with program requirements applicable before August 30, 2012. For purposes of meeting the requirements of this part, a project will continue to be administered in accordance with 24 CFR 582.330, if the project received funding under the Shelter Plus Care program, or 24 CFR 583.325, if the project received funding under the Supportive Housing Program.

(2) *Renewal of awards made after August 30, 2012.* Review criteria for competitively awarded renewals made after August 30, 2012 will be described in the NOFA.

(e) *Unsuccessful projects.* HUD may renew a project that was eligible for renewal in the competition and was part of an application that was not funded despite having been submitted on time, in the manner required by HUD, and containing the information required by HUD, upon a finding that the project meets the purposes of the Continuum of Care program. The renewal will not exceed more than one year and will be under such conditions as HUD deems appropriate.

(f) *Annual Performance Report condition.* HUD may terminate the renewal of any grant and require the recipient to repay the renewal grant if:

(1) The recipient fails to timely submit a HUD Annual Performance Report (APR) for the grant year immediately prior to renewal; or

(2) The recipient submits an APR that HUD deems unacceptable or shows noncompliance with the requirements of the grant and this part.

§ 578.35 Appeal.

(a) *In general.* Failure to follow the procedures or meet the deadlines established in this section will result in denial of the appeal.

(b) *Solo applicants.* (1) *Who may appeal.* Nonprofits, States, and local governments, and instrumentalities of State or local governments that attempted to participate in the Continuum of Care planning process in the geographic area in which they operate,

that believe they were denied the right to participate in a reasonable manner, and that submitted a solo application for funding by the application deadline established in the NOFA, may appeal the decision of the Continuum to HUD.

(2) *Notice of intent to appeal.* The solo applicant must submit a written notice of intent to appeal, with a copy to the Continuum, with their funding application.

(3) *Deadline for submitting proof.* No later than 30 days after the date that HUD announces the awards, the solo applicant shall submit in writing, with a copy to the Continuum, all relevant evidence supporting its claim, in such manner as HUD may require by Notice.

(4) *Response from the Continuum of Care.* The Continuum shall have 30 days from the date of its receipt of the solo applicant's evidence to respond to HUD in writing and in such manner as HUD may require, with a copy to the solo applicant.

(5) *Decision.* HUD will notify the solo applicant and the Continuum of its decision within 60 days of receipt of the Continuum's response.

(6) *Funding.* If HUD finds that the solo applicant was not permitted to participate in the Continuum of Care planning process in a reasonable manner, then HUD may award a grant to the solo applicant when funds next become available and may direct the Continuum of Care to take remedial steps to ensure reasonable participation in the future. HUD may also reduce the award to the Continuum's applicant(s).

(c) *Denied or decreased funding.* (1) *Who may appeal.* Eligible applicants that are denied funds by HUD, or that requested more funds than HUD awarded to them, may appeal the award by filing a written appeal, in such form and manner as HUD may require by Notice, within 45 days of the date of HUD's announcement of the award.

(2) *Decision.* HUD will notify the applicant of its decision on the appeal within 60 days of HUD's receipt of the written appeal. HUD will reverse a decision only when the applicant can show that HUD error caused the denial or decrease.

(3) *Funding.* Awards and increases to awards made upon appeal will be made from next available funds.

(d) *Competing Continuums of Care.* (1) *In general.* If more than one Continuum of Care claims the same geographic area, HUD will award funds to the Continuum applicant(s) whose application(s) has the highest total score. No projects will be funded from the lower scoring Continuum. No projects that are submitted in two or more competing Continuum of Care applications will be funded.

(2) *Who may appeal.* The designated applicant(s) for the lower scoring Continuum may appeal HUD's decision to fund the application(s) from the competing Continuum by filing a written appeal, in such form and manner as HUD may require by Notice, within 45 days of the date of HUD's announcement of the award.

(3) *Decision.* HUD will notify the applicant(s) of its decision on the appeal within 60 days of the date of HUD's receipt of the written appeal. HUD will reverse a decision only upon a showing by the applicant that HUD error caused the denial.

(e) *Consolidated plan certification.* (1) *In general.* An applicant may appeal to HUD a jurisdiction's refusal to provide a certification of consistency with the Consolidated Plan.

(2) *Procedure.* The applicant must submit a written appeal with its application to HUD and send a copy of the appeal to the jurisdiction that denied the certification of consistency. The appeal must include, at a minimum:

(i) A copy of the applicant's request to the jurisdiction for the certification of consistency with the Consolidated Plan;

(ii) A copy of the jurisdiction's response stating the reasons for denial, including the reasons the proposed project is not consistent with the jurisdiction's Consolidated Plan in accordance with 24 CFR 91.500(c); and

(iii) A statement of the reasons why the applicant believes its project is consistent with the jurisdiction's Consolidated Plan.

(3) *Jurisdiction response.* The jurisdiction that refused to provide the certification of consistency with the jurisdiction's Consolidated Plan shall have 10

days after receipt of a copy of the appeal to submit a written explanation of the reasons originally given for refusing to provide the certification and a written rebuttal to any claims made by the applicant in the appeal.

(4) *HUD review.* (i) HUD will issue its decision within 45 days of the date of HUD's receipt of the jurisdiction's response. As part of its review, HUD will consider:

(A) Whether the applicant submitted the request to the appropriate political jurisdiction; and

(B) The reasonableness of the jurisdiction's refusal to provide the certificate.

(ii) If the jurisdiction did not provide written reasons for refusal, including the reasons why the project is not consistent with the jurisdiction's Consolidated Plan in its initial response to the applicant's request for a certification, HUD will find for the applicant without further inquiry or response from the political jurisdiction.

Subpart D—Program Components and Eligible Costs

§ 578.37 Program components and uses of assistance.

(a) Continuum of Care funds may be used to pay for the eligible costs listed in § 578.39 through § 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homelessness prevention. Although grant funds may be used by recipients and subrecipients in all components for the eligible costs of contributing data to the HMIS designated by the Continuum of Care, only HMIS Leads may use grant funds for an HMIS component. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in § 578.87(c). The eligible program components are:

(1) *Permanent housing (PH).* Permanent housing is community-based housing, the purpose of which is to provide housing without a designated length of

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stay. Grant funds may be used for acquisition, rehabilitation, new construction, leasing, rental assistance, operating costs, and supportive services. PH includes:

(i) *Permanent supportive housing for persons with disabilities (PSH)*. PSH can only provide assistance to individuals with disabilities and families in which one adult or child has a disability. Supportive services designed to meet the needs of the program participants must be made available to the program participants.

(ii) *Rapid rehousing*. Continuum of Care funds may provide supportive services, as set forth in §578.53, and/or short-term (up to 3 months) and/or medium-term (for 3 to 24 months) tenant-based rental assistance, as set forth in §578.51(c), as necessary to help a homeless individual or family, with or without disabilities, move as quickly as possible into permanent housing and achieve stability in that housing. When providing short-term and/or medium-term rental assistance to program participants, the rental assistance is subject to §578.51(a)(1), but not §578.51(a)(1)(i) and (ii); (a)(2); (c) and (f) through (i); and (1)(i). These projects:

(A) Must follow the written policies and procedures established by the Continuum of Care for determining and prioritizing which eligible families and individuals will receive rapid rehousing assistance, as well as the amount or percentage of rent that each program participant must pay.

(B) May set a maximum amount or percentage of rental assistance that a program participant may receive, a maximum number of months that a program participant may receive rental assistance, and/or a maximum number of times that a program participant may receive rental assistance. The recipient or subrecipient may also require program participants to share in the costs of rent. For the purposes of calculating rent for rapid rehousing, the rent shall equal the sum of the total monthly rent for the unit and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.

(C) Limit rental assistance to no more than 24 months to a household.

(D) May provide supportive services for no longer than 6 months after rental assistance stops.

(E) Must re-evaluate, not less than once annually, that the program participant lacks sufficient resources and support networks necessary to retain housing without Continuum of Care assistance and the types and amounts of assistance that the program participant needs to retain housing. The recipient or subrecipient may require each program participant receiving assistance to notify the recipient or subrecipient of changes in the program participant's income or other circumstances (e.g., changes in household composition) that affect the program participant's need for assistance. When notified of a relevant change, the recipient or subrecipient must reevaluate the program participant's eligibility and the amount and types of assistance that the program participant needs.

(F) Require the program participant to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability. The project is exempt from this requirement if the Violence Against Women Act of 1994 (42 U.S.C. 13925 *et seq.*) or the Family Violence Prevention and Services Act (42 U.S.C. 10401 *et seq.*) prohibits the recipient carrying out the project from making its housing conditional on the participant's acceptance of services.

(2) *Transitional Housing (TH)*. Transitional housing facilitates the movement of homeless individuals and families to PH within 24 months of entering TH. Grant funds may be used for acquisition, rehabilitation, new construction, leasing, rental assistance, operating costs, and supportive services.

(3) *Supportive Service Only (SSO)*. Funds may be used for acquisition, rehabilitation, relocation costs, or leasing of a facility from which supportive services will be provided, and supportive services in order to provide supportive services to unsheltered and sheltered homeless persons for whom the recipient or subrecipient is not providing housing or housing assistance. SSO includes street outreach.

(4) *HMIS*. Funds may be used by HMIS Leads to lease a structure in which the HMIS is operated or as operating funds to operate a structure in which the HMIS is operated, and for other costs eligible in § 578.57.

(5) *Homelessness prevention*. Funds may be used by recipients in Continuums of Care-designated high-performing communities for housing relocation and stabilization services, and short- and/or medium-term rental assistance, as described in 24 CFR 576.105 and 24 CFR 576.106, that are necessary to prevent an individual or family from becoming homeless.

(b) *Uses of assistance*. Funds are available to pay for the eligible costs listed in § 578.39 through § 578.63 when used to:

- (1) Establish new housing or new facilities to provide supportive services;
- (2) Expand existing housing and facilities in order to increase the number of homeless persons served;
- (3) Bring existing housing and facilities into compliance with State and local government health and safety standards, as described in § 578.87;
- (4) Preserve existing permanent housing and facilities that provide supportive services;
- (5) Provide supportive services for residents of supportive housing or for homeless persons not residing in supportive housing;
- (6) Continue funding permanent housing when the recipient has received funding under this part for leasing, supportive services, operating costs, or rental assistance;
- (7) Establish and operate an HMIS or comparable database; and
- (8) Establish and carry out a Continuum of Care planning process and operate a Continuum of Care.

(c) *Multiple purposes*. Structures used to provide housing, supportive housing, supportive services, or as a facility for HMIS activities may also be used for other purposes. However, assistance under this part will be available only in proportion to the use of the structure for supportive housing or supportive services. If eligible and ineligible activities are carried out in separate portions of the same structure or in separate structures, grant funds may not be used to pay for more than the actual cost of acquisition, con-

struction, or rehabilitation of the portion of the structure or structures used for eligible activities. If eligible and ineligible activities are carried out in the same structure, the costs will be prorated based on the amount of time that the space is used for eligible versus ineligible activities.

§ 578.39 Continuum of Care planning activities.

(a) *In general*. Collaborative applicants may use up to 3 percent of their FPRN, or a maximum amount to be established by the NOFA, for costs of:

- (1) Designing and carrying out a collaborative process for the development of an application to HUD;
- (2) Evaluating the outcomes of projects for which funds are awarded in the geographic area under the Continuum of Care and the Emergency Solutions Grants programs; and
- (3) Participating in the consolidated plan(s) for the geographic area(s).

(b) *Continuum of Care planning activities*. Eligible planning costs include the costs of:

- (1) Developing a communitywide or regionwide process involving the coordination of nonprofit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve veterans, and homeless and formerly homeless individuals;
- (2) Determining the geographic area that the Continuum of Care will serve;
- (3) Developing a Continuum of Care system;
- (4) Evaluating the outcomes of projects for which funds are awarded in the geographic area, including the Emergency Solutions Grants program;
- (5) Participating in the consolidated plan(s) of the jurisdiction(s) in the geographic area; and
- (6) Preparing and submitting an application to HUD on behalf of the entire Continuum of Care membership, including conducting a sheltered and unsheltered point-in-time count and other data collection as required by HUD.

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(c) *Monitoring costs.* The costs of monitoring recipients and subrecipients and enforcing compliance with program requirements are eligible.

§ 578.41 Unified Funding Agency costs.

(a) *In general.* UFAs may use up to 3 percent of their FPRN, or a maximum amount to be established by the NOFA, whichever is less, for fiscal control and accounting costs necessary to assure the proper disbursement of, and accounting for, federal funds awarded to subrecipients under the Continuum of Care program.

(b) *UFA costs.* UFA costs include costs of ensuring that all financial transactions carried out under the Continuum of Care program are conducted and records are maintained in accordance with generally accepted accounting principles, including arranging for an annual survey, audit, or evaluation of the financial records of each project carried out by a subrecipient funded by a grant received through the Continuum of Care program.

(c) *Monitoring costs.* The costs of monitoring subrecipients and enforcing compliance with program requirements are eligible for costs.

§ 578.43 Acquisition.

Grant funds may be used to pay up to 100 percent of the cost of acquisition of real property selected by the recipient or subrecipient for use in the provision of housing or supportive services for homeless persons.

§ 578.45 Rehabilitation.

(a) *Use.* Grant funds may be used to pay up to 100 percent of the cost of rehabilitation of structures to provide housing or supportive services to homeless persons.

(b) *Eligible costs.* Eligible rehabilitation costs include installing cost-effective energy measures, and bringing an existing structure to State and local government health and safety standards.

(c) *Ineligible costs.* Grant funds may not be used for rehabilitation of leased property.

§ 578.47 New construction.

(a) *Use.* Grant funds may be used to:

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(1) Pay up to 100 percent of the cost of new construction, including the building of a new structure or building an addition to an existing structure that increases the floor area by 100 percent or more, and the cost of land associated with that construction, for use as housing.

(2) If grant funds are used for new construction, the applicant must demonstrate that the costs of new construction are substantially less than the costs of rehabilitation or that there is a lack of available appropriate units that could be rehabilitated at a cost less than new construction. For purposes of this cost comparison, costs of rehabilitation or new construction may include the cost of real property acquisition.

(b) *Ineligible costs.* Grant funds may not be used for new construction on leased property.

§ 578.49 Leasing.

(a) *Use.* (1) Where the recipient or subrecipient is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to 3 years. Leasing funds may not be used to lease units or structures owned by the recipient, subrecipient, their parent organization(s), any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

(2) Any request for an exception must include the following:

(i) A description of how leasing these structures is in the best interest of the program;

(ii) Supporting documentation showing that the leasing charges paid with grant funds are reasonable for the market; and

(iii) A copy of the written policy for resolving disputes between the landlord and tenant, including a recusal for officers, agents, and staff who work for both the landlord and tenant.

(b) *Requirements.* (1) *Leasing structures.* When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable

in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.

(2) *Leasing individual units.* When grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.

(3) *Utilities.* If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by the landlord, these utility costs are an operating cost, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.

(4) *Security deposits and first and last month's rent.* Recipients and subrecipients may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of the last month's rent may be provided to the landlord in addition to the security deposit and payment of the first month's rent.

(5) *Occupancy agreements and subleases.* Occupancy agreements and subleases are required as specified in § 578.77(a).

(6) *Calculation of occupancy charges and rent.* Occupancy charges and rent from program participants must be calculated as provided in § 578.77.

(7) *Program income.* Occupancy charges and rent collected from program participants are program income and may be used as provided under § 578.97.

(8) *Transition.* Beginning in the first year awards are made under the Continuum of Care program, renewals of grants for leasing funds entered into under the authority of title IV, subtitle D of the Act as it existed before May 20, 2009, will be renewed either as grants for leasing or as rental assistance, depending on the characteristics

of the project. Leasing funds will be renewed as rental assistance if the funds are used to pay rent on units where the lease is between the program participant and the landowner or sublessor. Projects requesting leasing funds will be renewed as leasing if the funds were used to lease a unit or structure and the lease is between the recipient or subrecipient and the landowner.

§ 578.51 Rental assistance.

(a) *Use.* (1) Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

(i) The rental assistance may be short-term, up to 3 months of rent; medium-term, for 3 to 24 months of rent; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in § 578.7(a)(9) and this section.

(ii) The rental assistance may be tenant-based, project-based, or sponsor-based, and may be for transitional or permanent housing.

(2) Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

(b) *Rental assistance administrator.* Rental assistance must be administered by a State, unit of general local government, or a public housing agency.

(c) *Tenant-based rental assistance.* Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder

of their period of participation. Program participants who are receiving rental assistance in transitional housing may be required to live in a specific structure for their entire period of participation in transitional housing.

(1) Up to 5 years worth of rental assistance may be awarded to a project in one competition.

(2) Program participants who have complied with all program requirements during their residence retain the rental assistance if they move within the Continuum of Care geographic area.

(3) Program participants who have complied with all program requirements during their residence and who have been a victim of domestic violence, dating violence, sexual assault, or stalking, and who reasonably believe they are imminently threatened by harm from further domestic violence, dating violence, sexual assault, or stalking (which would include threats from a third party, such as a friend or family member of the perpetrator of the violence), if they remain in the assisted unit, and are able to document the violence and basis for their belief, may retain the rental assistance and move to a different Continuum of Care geographic area if they move out of the assisted unit to protect their health and safety.

(d) *Sponsor-based rental assistance.* Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor. Up to 5 years worth of rental assistance may be awarded to a project in one competition.

(e) *Project-based rental assistance.* Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move. Up to 15 years of rental assistance may be awarded in one competition.

(f) *Grant amount.* The amount of rental assistance in each project will be based on the number and size of units proposed by the applicant to be assisted over the grant period. The amount of rental assistance in each project will be calculated by multiplying the number and size of units proposed by the FMR of each unit on the date the application is submitted to HUD, by the term of the grant.

(g) *Rent reasonableness.* HUD will only provide rental assistance for a unit if the rent is reasonable. The recipient or subrecipient must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit. Reasonable rent must not exceed rents currently being charged by the same owner for comparable unassisted units.

(h) *Payment of grant.* (1) The amount of rental assistance in each project will be reserved for rental assistance over the grant period. An applicant's request for rental assistance in each grant is an estimate of the amount needed for rental assistance. Recipients will make draws from the grant funds to pay the actual costs of rental assistance for program participants.

(2) For tenant-based rental assistance, on demonstration of need:

(i) Up to 25 percent of the total rental assistance awarded may be spent in any year of a 5-year grant term; or

(ii) A higher percentage if approved in advance by HUD, if the recipient provides evidence satisfactory to HUD that it is financially committed to providing the housing assistance described in the application for the full 5-year period.

(3) A recipient must serve at least as many program participants as shown in its application for assistance.

(4) If the amount in each grant reserved for rental assistance over the grant period exceeds the amount that will be needed to pay the actual costs of rental assistance, due to such factors as contract rents being lower than FMRs and program participants being able to pay a portion of the rent, recipients or subrecipients may use the

excess funds for covering the costs of rent increases, or for serving a greater number of program participants.

(i) *Vacancies.* If a unit assisted under this section is vacated before the expiration of the lease, the assistance for the unit may continue for a maximum of 30 days from the end of the month in which the unit was vacated, unless occupied by another eligible person. No additional assistance will be paid until the unit is occupied by another eligible person. Brief periods of stays in institutions, not to exceed 90 days for each occurrence, are not considered vacancies.

(j) *Property damage.* Recipients and subrecipients may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. This shall be a one-time cost per participant, incurred at the time a participant exits a housing unit.

(k) *Resident rent.* Rent must be calculated as provided in § 578.77. Rents collected from program participants are program income and may be used as provided under § 578.97.

(l) *Leases.* (1) *Initial lease.* For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

(2) *Initial lease for transitional housing.* Program participants in transitional housing must enter into a lease agreement for a term of at least one month. The lease must be automatically renewable upon expiration, except on prior notice by either party, up to a maximum term of 24 months.

§ 578.53 Supportive services.

(a) *In general.* Grant funds may be used to pay the eligible costs of supportive services that address the special needs of the program participants. If the supportive services are provided in a supportive service facility not contained in a housing structure, the costs of day-to-day operation of the supportive service facility, including maintenance, repair, building security,

furniture, utilities, and equipment are eligible as a supportive service.

(1) Supportive services must be necessary to assist program participants obtain and maintain housing.

(2) Recipients and subrecipients shall conduct an annual assessment of the service needs of the program participants and should adjust services accordingly.

(b) *Duration.* (1) For a transitional housing project, supportive services must be made available to residents throughout the duration of their residence in the project.

(2) Permanent supportive housing projects must provide supportive services for the residents to enable them to live as independently as is practicable throughout the duration of their residence in the project.

(3) Services may also be provided to former residents of transitional housing and current residents of permanent housing who were homeless in the prior 6 months, for no more than 6 months after leaving transitional housing or homelessness, respectively, to assist their adjustment to independent living.

(4) Rapid rehousing projects must require the program participant to meet with a case manager not less than once per month as set forth in § 578.37(a)(1)(ii)(F), to assist the program participant in maintaining long-term housing stability.

(c) *Special populations.* All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

(d) *Ineligible costs.* Any cost that is not described as an eligible cost under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and the costs of obtaining professional licenses or certifications needed to provide supportive services are not eligible costs.

(e) *Eligible costs.*

(1) *Annual Assessment of Service Needs.* The costs of the assessment required by § 578.53(a)(2) are eligible costs.

(2) *Assistance with moving costs.* Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company.

(3) *Case management.* The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs. Component services and activities consist of:

- (i) Counseling;
- (ii) Developing, securing, and coordinating services;
- (iii) Using the centralized or coordinated assessment system as required under § 578.23(c)(9).
- (iv) Obtaining federal, State, and local benefits;
- (v) Monitoring and evaluating program participant progress;
- (vi) Providing information and referrals to other providers;
- (vii) Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
- (viii) Developing an individualized housing and service plan, including planning a path to permanent housing stability.

(4) *Child care.* The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities, are eligible.

(i) The children must be under the age of 13, unless they are disabled children.

(ii) Disabled children must be under the age of 18.

(iii) The child-care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.

(5) *Education services.* The costs of improving knowledge and basic educational skills are eligible.

(i) Services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED).

(ii) Component services or activities are screening, assessment and testing;

individual or group instruction; tutoring; provision of books, supplies, and instructional material; counseling; and referral to community resources.

(6) *Employment assistance and job training.* The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost.

(i) Learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.

(ii) Services that assist individuals in securing employment consist of:

- (A) Employment screening, assessment, or testing;
- (B) Structured job skills and job-seeking skills;
- (C) Special training and tutoring, including literacy training and pre-vocational training;
- (D) Books and instructional material;
- (E) Counseling or job coaching; and
- (F) Referral to community resources.

(7) *Food.* The cost of providing meals or groceries to program participants is eligible.

(8) *Housing search and counseling services.* Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible.

(i) Component services or activities are tenant counseling; assisting individuals and families to understand leases; securing utilities; and making moving arrangements.

(ii) Other eligible costs are:

- (A) Mediation with property owners and landlords on behalf of eligible program participants;
- (B) Credit counseling, accessing a free personal credit report, and resolving personal credit issues; and
- (C) The payment of rental application fees.

(9) *Legal services.* Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision

of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing.

(i) Eligible subject matters are child support; guardianship; paternity; emancipation; legal separation; orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking; appeal of veterans and public benefit claim denials; landlord tenant disputes; and the resolution of outstanding criminal warrants.

(ii) Component services or activities may include receiving and preparing cases for trial, provision of legal advice, representation at hearings, and counseling.

(iii) Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient's employees' salaries and other costs necessary to perform the services.

(iv) Legal services for immigration and citizenship matters and issues related to mortgages and homeownership are ineligible. Retainer fee arrangements and contingency fee arrangements are ineligible.

(10) *Life skills training.* The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training.

(11) *Mental health services.* Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interven-

tions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.

(12) *Outpatient health services.* Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals including:

(i) Providing an analysis or assessment of an individual's health problems and the development of a treatment plan;

(ii) Assisting individuals to understand their health needs;

(iii) Providing directly or assisting individuals to obtain and utilize appropriate medical treatment;

(iv) Preventive medical care and health maintenance services, including in-home health services and emergency medical services;

(v) Provision of appropriate medication;

(vi) Providing follow-up services; and

(vii) Preventive and noncosmetic dental care.

(13) *Outreach services.* The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible.

(i) Eligible costs include the outreach worker's transportation costs and a cell phone to be used by the individual performing the outreach.

(ii) Component activities and services consist of: initial assessment; crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; actively connecting and providing people with information and referrals to homeless and mainstream programs; and publicizing the availability of the housing and/or services provided within the geographic area covered by the Continuum of Care.

(14) *Substance abuse treatment services.* The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible.

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(15) *Transportation*. Eligible costs are:

(i) The costs of program participant's travel on public transportation or in a vehicle provided by the recipient or subrecipient to and from medical care, employment, child care, or other services eligible under this section.

(ii) Mileage allowance for service workers to visit program participants and to carry out housing quality inspections;

(iii) The cost of purchasing or leasing a vehicle in which staff transports program participants and/or staff serving program participants;

(iv) The cost of gas, insurance, taxes, and maintenance for the vehicle;

(v) The costs of recipient or subrecipient staff to accompany or assist program participants to utilize public transportation; and

(vi) If public transportation options are not sufficient within the area, the recipient may make a one-time payment on behalf of a program participant needing car repairs or maintenance required to operate a personal vehicle, subject to the following:

(A) Payments for car repairs or maintenance on behalf of the program participant may not exceed 10 percent of the Blue Book value of the vehicle (Blue Book refers to the guidebook that compiles and quotes prices for new and used automobiles and other vehicles of all makes, models, and types);

(B) Payments for car repairs or maintenance must be paid by the recipient or subrecipient directly to the third party that repairs or maintains the car; and

(C) The recipients or subrecipients may require program participants to share in the cost of car repairs or maintenance as a condition of receiving assistance with car repairs or maintenance.

(16) *Utility deposits*. This form of assistance consists of paying for utility deposits. Utility deposits must be a one-time fee, paid to utility companies.

(17) *Direct provision of services*. If the service described in paragraphs (e)(1) through (e)(16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services also include:

(i) The costs of labor or supplies, and materials incurred by the recipient or

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subrecipient in directly providing supportive services to program participants; and

(ii) The salary and benefit packages of the recipient and subrecipient staff who directly deliver the services.

§ 578.55 Operating costs.

(a) *Use*. Grant funds may be used to pay the costs of the day-to-day operation of transitional and permanent housing in a single structure or individual housing units.

(b) *Eligible costs*. (1) The maintenance and repair of housing;

(2) Property taxes and insurance;

(3) Scheduled payments to a reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);

(4) Building security for a structure where more than 50 percent of the units or area is paid for with grant funds;

(5) Electricity, gas, and water;

(6) Furniture; and

(7) Equipment.

(c) *Ineligible costs*. Program funds may not be used for rental assistance and operating costs in the same project. Program funds may not be used for the operating costs of emergency shelter- and supportive service-only facilities. Program funds may not be used for the maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

§ 578.57 Homeless Management Information System.

(a) *Eligible costs*. (1) The recipient or subrecipient may use Continuum of Care program funds to pay the costs of contributing data to the HMIS designated by the Continuum of Care, including the costs of:

(i) Purchasing or leasing computer hardware;

(ii) Purchasing software or software licenses;

(iii) Purchasing or leasing equipment, including telephones, fax machines, and furniture;

(iv) Obtaining technical support;

(v) Leasing office space;

(vi) Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS;

(vii) Paying salaries for operating HMIS, including:

(A) Completing data entry;

(B) Monitoring and reviewing data quality;

(C) Completing data analysis;

(D) Reporting to the HMIS Lead;

(E) Training staff on using the HMIS; and

(F) Implementing and complying with HMIS requirements;

(viii) Paying costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act;

(ix) Paying staff travel costs to conduct intake; and

(x) Paying participation fees charged by the HMIS Lead, as authorized by HUD, if the recipient or subrecipient is not the HMIS Lead.

(2) If the recipient or subrecipient is the HMIS Lead, it may also use Continuum of Care funds to pay the costs of:

(i) Hosting and maintaining HMIS software or data;

(ii) Backing up, recovering, or repairing HMIS software or data;

(iii) Upgrading, customizing, and enhancing the HMIS;

(iv) Integrating and warehousing data, including development of a data warehouse for use in aggregating data from subrecipients using multiple software systems;

(v) Administering the system;

(vi) Reporting to providers, the Continuum of Care, and HUD; and

(vii) Conducting training on using the system, including traveling to the training.

(3) If the recipient or subrecipient is a victim services provider, or a legal services provider, it may use Continuum of Care funds to establish and operate a comparable database that complies with HUD's HMIS requirements.

(b) *General restrictions.* Activities funded under this section must comply with the HMIS requirements.

§ 578.59 Project administrative costs.

(a) *Eligible costs.* The recipient or subrecipient may use up to 10 percent of any grant awarded under this part, excluding the amount for Continuum of Care Planning Activities and UFA costs, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under § 578.43 through § 578.57, because those costs are eligible as part of those activities. Eligible administrative costs include:

(1) *General management, oversight, and coordination.* Costs of overall program management, coordination, monitoring, and evaluation. These costs include, but are not limited to, necessary expenditures for the following:

(i) Salaries, wages, and related costs of the recipient's staff, the staff of subrecipients, or other staff engaged in program administration. In charging costs to this category, the recipient may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The recipient may use only one of these methods for each fiscal year grant. Program administration assignments include the following:

(A) Preparing program budgets and schedules, and amendments to those budgets and schedules;

(B) Developing systems for assuring compliance with program requirements;

(C) Developing agreements with subrecipients and contractors to carry out program activities;

(D) Monitoring program activities for progress and compliance with program requirements;

(E) Preparing reports and other documents directly related to the program for submission to HUD;

(F) Coordinating the resolution of audit and monitoring findings;

(G) Evaluating program results against stated objectives; and

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(H) Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in paragraph (a)(1)(i)(A) through (G) of this section.

(ii) Travel costs incurred for monitoring of subrecipients;

(iii) Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and

(iv) Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.

(2) *Training on Continuum of Care requirements.* Costs of providing training on Continuum of Care requirements and attending HUD-sponsored Continuum of Care trainings.

(3) *Environmental review.* Costs of carrying out the environmental review responsibilities under § 578.31.

(b) *Sharing requirement.* (1) *UFAs.* If the recipient is a UFA that carries out a project, it may use up to 10 percent of the grant amount awarded for the project on project administrative costs. The UFA must share the remaining project administrative funds with its subrecipients.

(2) *Recipients that are not UFAs.* If the recipient is not a UFA, it must share at least 50 percent of project administrative funds with its subrecipients.

§ 578.61 Relocation costs.

(a) *In general.* Relocation costs under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 are eligible.

(b) *Eligible relocation costs.* Eligible costs are costs to provide relocation payments and other assistance to persons displaced by a project assisted with grant funds in accordance with § 578.83.

§ 578.63 Indirect costs.

(a) *In general.* Continuum of Care funds may be used to pay indirect costs in accordance with OMB Circulars A-87 or A-122, as applicable.

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(b) *Allocation.* Indirect costs may be allocated to each eligible activity as provided in subpart D, so long as that allocation is consistent with an indirect cost rate proposal developed in accordance with OMB Circulars A-87 or A-122, as applicable.

(c) *Expenditure limits.* The indirect costs charged to an activity subject to an expenditure limit under §§ 578.39, 578.41, and 578.59 must be added to the direct costs charged for that activity when determining the total costs subject to the expenditure limits.

Subpart E—High-Performing Communities

§ 578.65 Standards.

(a) *In general.* The collaborative applicant for a Continuum may apply to HUD to have the Continuum be designated a high-performing community (HPC). The designation shall be for grants awarded in the same competition in which the designation is applied for and made.

(b) *Applying for HPC designation.* The application must be submitted at such time and in such manner as HUD may require, must use HMIS data where required to show the standards for qualifying are met, and must contain such information as HUD requires, including at a minimum:

(1) A report showing how the Continuum of Care program funds received in the preceding year were expended;

(2) A specific plan for how grant funds will be expended; and

(3) Information establishing that the Continuum of Care meets the standards for HPCs.

(c) *Standards for qualifying as an HPC.* To qualify as an HPC, a Continuum must demonstrate through:

(1) Reliable data generated by the Continuum of Care's HMIS that it meets all of the following standards:

(i) *Mean length of homelessness.* Either the mean length of episode of homelessness within the Continuum's geographic area is fewer than 20 days, or the mean length of episodes of homelessness for individuals or families in similar circumstances was reduced by at least 10 percent from the preceding federal fiscal year.

(ii) *Reduced recidivism.* Of individuals and families who leave homelessness, less than 5 percent become homeless again at any time within the next 2 years; or the percentage of individuals and families in similar circumstances who become homeless again within 2 years after leaving homelessness was decreased by at least 20 percent from the preceding federal fiscal year.

(iii) *HMIS coverage.* The Continuum's HMIS must have a bed coverage rate of 80 percent and a service volume coverage rate of 80 percent as calculated in accordance with HUD's HMIS requirements.

(iv) *Serving families and youth.* With respect to Continuums that served homeless families and youth defined as homeless under other federal statutes in paragraph (3) of the definition of homeless in § 576.2:

(A) 95 percent of those families and youth did not become homeless again within a 2-year period following termination of assistance; or

(B) 85 percent of those families achieved independent living in permanent housing for at least 2 years following termination of assistance.

(2) Reliable data generated from sources other than the Continuum's HMIS that is provided in a narrative or other form prescribed by HUD that it meets both of the following standards:

(i) *Community action.* All the metropolitan cities and counties within the Continuum's geographic area have a comprehensive outreach plan, including specific steps for identifying homeless persons and referring them to appropriate housing and services in that geographic area.

(ii) *Renewing HPC status.* If the Continuum was designated an HPC in the previous federal fiscal year and used Continuum of Care grant funds for activities described under § 578.71, that such activities were effective at reducing the number of individuals and families who became homeless in that community.

§ 578.67 Publication of application.

HUD will publish the application to be designated an HPC through the HUD Web site, for public comment as to whether the Continuum seeking des-

ignation as an HPC meets the standards for being one.

§ 578.69 Cooperation among entities.

An HPC must cooperate with HUD in distributing information about its successful efforts to reduce homelessness.

§ 578.71 HPC-eligible activities.

In addition to using grant funds for the eligible costs described in subpart D of this part, recipients and subrecipients in Continuums of Care designated as HPCs may also use grant funds to provide housing relocation and stabilization services and short- and/or medium-term rental assistance to individuals and families at risk of homelessness as set forth in 24 CFR 576.103 and 24 CFR 576.104, if necessary to prevent the individual or family from becoming homeless. Activities must be carried out in accordance with the plan submitted in the application. When carrying out housing relocation and stabilization services and short- and/or medium-term rental assistance, the written standards set forth in § 578.7(a)(9)(v) and recordkeeping requirements of 24 CFR 576.500 apply.

Subpart F—Program Requirements

§ 578.73 Matching requirements.

(a) *In general.* The recipient or subrecipient must match all grant funds, except for leasing funds, with no less than 25 percent of funds or in-kind contributions from other sources. For Continuum of Care geographic areas in which there is more than one grant agreement, the 25 percent match must be provided on a grant-by-grant basis. Recipients that are UFAs or are the sole recipient for their Continuum, may provide match on a Continuum-wide basis. Cash match must be used for the costs of activities that are eligible under subpart D of this part, except that HPCs may use such match for the costs of activities that are eligible under § 578.71.

(b) *Cash sources.* A recipient or subrecipient may use funds from any source, including any other federal sources (excluding Continuum of Care program funds), as well as State, local, and private sources, provided that

funds from the source are not statutorily prohibited to be used as a match. The recipient must ensure that any funds used to satisfy the matching requirements of this section are eligible under the laws governing the funds in order to be used as matching funds for a grant awarded under this program.

(c) *In-kind contributions.* (1) The recipient or subrecipient may use the value of any real property, equipment, goods, or services contributed to the project as match, provided that if the recipient or subrecipient had to pay for them with grant funds, the costs would have been eligible under Subpart D, or, in the case of HPCs, eligible under § 578.71.

(2) The requirements of 24 CFR 84.23 and 85.24 apply.

(3) Before grant execution, services to be provided by a third party must be documented by a memorandum of understanding (MOU) between the recipient or subrecipient and the third party that will provide the services. Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the recipient's or subrecipient's organization. If the recipient or subrecipient does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market.

(i) The MOU must establish the unconditional commitment, except for selection to receive a grant, by the third party to provide the services, the specific service to be provided, the profession of the persons providing the service, and the hourly cost of the service to be provided.

(ii) During the term of the grant, the recipient or subrecipient must keep and make available, for inspection, records documenting the service hours provided.

§ 578.75 General operations.

(a) *State and local requirements.* (1) Housing and facilities constructed or rehabilitated with assistance under this part must meet State or local building codes, and in the absence of State or local building codes, the International Residential Code or International Building Code (as applicable

to the type of structure) of the International Code Council.

(2) Services provided with assistance under this part must be provided in compliance with all applicable State and local requirements, including licensing requirements.

(b) *Housing quality standards.* Housing leased with Continuum of Care program funds, or for which rental assistance payments are made with Continuum of Care program funds, must meet the applicable housing quality standards (HQS) under 24 CFR 982.401 of this title, except that 24 CFR 982.401(j) applies only to housing occupied by program participants receiving tenant-based rental assistance. For housing rehabilitated with funds under this part, the lead-based paint requirements in 24 CFR part 35, subparts A, B, J, and R apply. For housing that receives project-based or sponsor-based rental assistance, 24 CFR part 35, subparts A, B, H, and R apply. For residential property for which funds under this part are used for acquisition, leasing, services, or operating costs, 24 CFR part 35, subparts A, B, K, and R apply.

(1) Before any assistance will be provided on behalf of a program participant, the recipient, or subrecipient, must physically inspect each unit to assure that the unit meets HQS. Assistance will not be provided for units that fail to meet HQS, unless the owner corrects any deficiencies within 30 days from the date of the initial inspection and the recipient or subrecipient verifies that all deficiencies have been corrected.

(2) Recipients or subrecipients must inspect all units at least annually during the grant period to ensure that the units continue to meet HQS.

(c) *Suitable dwelling size.* The dwelling unit must have at least one bedroom or living/sleeping room for each two persons.

(1) Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

(2) If household composition changes during the term of assistance, recipients and subrecipients may relocate the household to a more appropriately sized unit. The household must still

have access to appropriate supportive services.

(d) *Meals.* Each recipient and subrecipient of assistance under this part who provides supportive housing for homeless persons with disabilities must provide meals or meal preparation facilities for residents.

(e) *Ongoing assessment of supportive services.* To the extent practicable, each project must provide supportive services for residents of the project and homeless persons using the project, which may be designed by the recipient or participants. Each recipient and subrecipient of assistance under this part must conduct an ongoing assessment of the supportive services needed by the residents of the project, the availability of such services, and the coordination of services needed to ensure long-term housing stability and must make adjustments, as appropriate.

(f) *Residential supervision.* Each recipient and subrecipient of assistance under this part must provide residential supervision as necessary to facilitate the adequate provision of supportive services to the residents of the housing throughout the term of the commitment to operate supportive housing. Residential supervision may include the employment of a full- or part-time residential supervisor with sufficient knowledge to provide or to supervise the provision of supportive services to the residents.

(g) *Participation of homeless individuals.* (1) Each recipient and subrecipient must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policymaking entity of the recipient or subrecipient, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance provided under this part. This requirement is waived if a recipient or subrecipient is unable to meet such requirement and obtains HUD approval for a plan to otherwise consult with homeless or formerly homeless persons when considering and making policies and decisions.

(2) Each recipient and subrecipient of assistance under this part must, to the

maximum extent practicable, involve homeless individuals and families through employment; volunteer services; or otherwise in constructing, rehabilitating, maintaining, and operating the project, and in providing supportive services for the project.

(h) *Supportive service agreement.* Recipients and subrecipients may require the program participants to take part in supportive services that are not disability-related services provided through the project as a condition of continued participation in the program. Examples of disability-related services include, but are not limited to, mental health services, outpatient health services, and provision of medication, which are provided to a person with a disability to address a condition caused by the disability. Notwithstanding this provision, if the purpose of the project is to provide substance abuse treatment services, recipients and subrecipients may require program participants to take part in such services as a condition of continued participation in the program.

(i) *Retention of assistance after death, incarceration, or institutionalization for more than 90 days of qualifying member.* For permanent supportive housing projects surviving, members of any household who were living in a unit assisted under this part at the time of the qualifying member's death, long-term incarceration, or long-term institutionalization, have the right to rental assistance under this section until the expiration of the lease in effect at the time of the qualifying member's death, long-term incarceration, or long-term institutionalization.

§ 578.77 Calculating occupancy charges and rent.

(a) *Occupancy agreements and leases.* Recipients and subrecipients must have signed occupancy agreements or leases (or subleases) with program participants residing in housing.

(b) *Calculation of occupancy charges.* Recipients and subrecipients are not required to impose occupancy charges on program participants as a condition of residing in the housing. However, if occupancy charges are imposed, they may not exceed the highest of:

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(1) 30 percent of the family's monthly adjusted income (adjustment factors include the number of people in the family, age of family members, medical expenses, and child-care expenses);

(2) 10 percent of the family's monthly income; or

(3) If the family is receiving payments for welfare assistance from a public agency and a part of the payments (adjusted in accordance with the family's actual housing costs) is specifically designated by the agency to meet the family's housing costs, the portion of the payments that is designated for housing costs.

(4) *Income.* Income must be calculated in accordance with 24 CFR 5.609 and 24 CFR 5.611(a). Recipients and subrecipients must examine a program participant's income initially, and if there is a change in family composition (*e.g.*, birth of a child) or a decrease in the resident's income during the year, the resident may request an interim reexamination, and the occupancy charge will be adjusted accordingly.

(c) *Resident rent.* (1) *Amount of rent.* (i) Each program participant on whose behalf rental assistance payments are made must pay a contribution toward rent in accordance with section 3(a)(1) of the U.S. Housing Act of 1937 (42 U.S.C. 1437a(a)(1)).

(ii) Income of program participants must be calculated in accordance with 24 CFR 5.609 and 24 CFR 5.611(a).

(2) *Review.* Recipients or subrecipients must examine a program participant's income initially, and at least annually thereafter, to determine the amount of the contribution toward rent payable by the program participant. Adjustments to a program participant's contribution toward the rental payment must be made as changes in income are identified.

(3) *Verification.* As a condition of participation in the program, each program participant must agree to supply the information or documentation necessary to verify the program participant's income. Program participants must provide the recipient or subrecipient with information at any time regarding changes in income or other circumstances that may result in changes to a program participant's

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contribution toward the rental payment.

§ 578.79 Limitation on transitional housing.

A homeless individual or family may remain in transitional housing for a period longer than 24 months, if permanent housing for the individual or family has not been located or if the individual or family requires additional time to prepare for independent living. However, HUD may discontinue assistance for a transitional housing project if more than half of the homeless individuals or families remain in that project longer than 24 months.

§ 578.81 Term of commitment, repayment of grants, and prevention of undue benefits.

(a) *In general.* All recipients and subrecipients receiving grant funds for acquisition, rehabilitation, or new construction must operate the housing or provide supportive services in accordance with this part, for at least 15 years from the date of initial occupancy or date of initial service provision. Recipient and subrecipients must execute and record a HUD-approved Declaration of Restrictive Covenants before receiving payment of grant funds.

(b) *Conversion.* Recipients and subrecipients carrying out a project that provides transitional or permanent housing or supportive services in a structure may submit a request to HUD to convert a project for the direct benefit of very low-income persons. The request must be made while the project is operating as homeless housing or supportive services for homeless individuals and families, must be in writing, and must include an explanation of why the project is no longer needed to provide transitional or permanent housing or supportive services. The primary factor in HUD's decision on the proposed conversion is the unmet need for transitional or permanent housing or supportive services in the Continuum of Care's geographic area.

(c) *Repayment of grant funds.* If a project is not operated as transitional or permanent housing for 10 years following the date of initial occupancy,

HUD will require repayment of the entire amount of the grant used for acquisition, rehabilitation, or new construction, unless conversion of the project has been authorized under paragraph (b) of this section. If the housing is used for such purposes for more than 10 years, the payment amount will be reduced by 20 percentage points for each year, beyond the 10-year period in which the project is used for transitional or permanent housing.

(d) *Prevention of undue benefits.* Except as provided under paragraph (e) of this section, upon any sale or other disposition of a project site that received grant funds for acquisition, rehabilitation, or new construction, occurring before the 15-year period, the recipient must comply with such terms and conditions as HUD may prescribe to prevent the recipient or subrecipient from unduly benefiting from such sale or disposition.

(e) *Exception.* A recipient or subrecipient will not be required to comply with the terms and conditions prescribed under paragraphs (c) and (d) of this section if:

(1) The sale or disposition of the property used for the project results in the use of the property for the direct benefit of very low-income persons;

(2) All the proceeds are used to provide transitional or permanent housing that meet the requirements of this part;

(3) Project-based rental assistance or operating cost assistance from any federal program or an equivalent State or local program is no longer made available and the project is meeting applicable performance standards, provided that the portion of the project that had benefitted from such assistance continues to meet the tenant income and rent restrictions for low-income units under section 42(g) of the Internal Revenue Code of 1986; or

(4) There are no individuals and families in the Continuum of Care geographic area who are homeless, in which case the project may serve individuals and families at risk of homelessness.

§ 578.83 Displacement, relocation, and acquisition.

(a) *Minimizing displacement.* Consistent with the other goals and objectives of this part, recipients and subrecipients must ensure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of projects assisted under this part. "Project," as used in this section, means any activity or series of activities assisted with Continuum of Care funds received or anticipated in any phase of an undertaking.

(b) *Temporary relocation.* (1) *Existing Building Not Assisted under Title IV of the McKinney-Vento Act.* No tenant may be required to relocate temporarily for a project if the building in which the project is being undertaken or will be undertaken is not currently assisted under Title IV of the McKinney-Vento Act. The absence of such assistance to the building means the tenants are not homeless and the tenants are therefore not eligible to receive assistance under the Continuum of Care program. When a tenant moves for such a project under conditions that cause the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), 42 U.S.C. 4601-4655, to apply, the tenant must be treated as permanently displaced and offered relocation assistance and payments consistent with paragraph (c) of this section.

(2) *Existing Transitional Housing or Permanent Housing Projects Assisted Under Title IV of the McKinney-Vento Act.* Consistent with paragraph (c)(2)(ii) of this section, no program participant may be required to relocate temporarily for a project if the person cannot be offered a decent, safe, and sanitary unit in the same building or complex upon project completion under reasonable terms and conditions. The length of occupancy requirements in § 578.79 may prevent a program participant from returning to the property upon completion (See paragraph (c)(2)(iii)(D) of this section). Any program participant who has been temporarily relocated for a period beyond one year

must be treated as permanently displaced and offered relocation assistance and payments consistent with paragraph (c) of this section. Program participants temporarily relocated in accordance with the policies described in this paragraph must be provided:

(i) Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/occupancy charges and utility costs; and

(ii) Appropriate advisory services, including reasonable advance written notice of:

(A) The date and approximate duration of the temporary relocation;

(B) The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;

(C) The reasonable terms and conditions under which the program participant will be able to occupy a suitable, decent, safe, and sanitary dwelling in the building or complex upon completion of the project; and

(D) The provisions of paragraph (b)(2)(i) of this section.

(c) *Relocation assistance for displaced persons.* (1) *In general.* A displaced person (defined in paragraph (c)(2) of this section) must be provided relocation assistance in accordance with the requirements of the URA and implementing regulations at 49 CFR part 24. A displaced person must be advised of his or her rights under the Fair Housing Act. Whenever possible, minority persons must be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings, not located in an area of minority concentration, that are within their financial means. This policy, however, does not require providing a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling. See 49 CFR 24.205(c)(2)(ii)(D).

(2) *Displaced person.* (i) For the purposes of paragraph (c) of this section, the term "displaced person" means any person (family, individual, business, nonprofit organization, or farm) that moves from real property, or moves personal property from real property,

permanently, as a direct result of acquisition, rehabilitation, or demolition for a project. This includes any permanent, involuntary move for a project, including any permanent move from the real property that is made:

(A) After the owner (or person in control of the site) issues a notice to move permanently from the property, or refuses to renew an expiring lease, if the move occurs after the date of the submission by the recipient or subrecipient of an application for assistance to HUD (or the recipient, as applicable) that is later approved and funded and the recipient or subrecipient has site control as evidenced in accordance with § 578.25(b); or

(B) After the owner (or person in control of the site) issues a notice to move permanently from the property, or refuses to renew an expiring lease, if the move occurs after the date the recipient or subrecipient obtains site control, as evidenced in accordance with § 578.25(b), if that occurs after the application for assistance; or

(C) Before the date described under paragraph (c)(2)(i)(A) or (B) of this section, if the recipient or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the project; or

(D) By a tenant of a building that is not assisted under Title IV of the McKinney-Vento Act, if the tenant moves after execution of the agreement covering the acquisition, rehabilitation, or demolition of the property for the project; or

(ii) For the purposes of paragraph (c) of this section, the term "displaced person" means any person (family, individual, business, nonprofit organization, or farm) that moves from real property, or moves personal property from real property, permanently, as a direct result of acquisition, rehabilitation, or demolition for a project. This includes any permanent, involuntary move for a project that is made by a program participant occupying transitional housing or permanent housing assisted under Title IV of the McKinney-Vento Act, if any one of the following three situations occurs:

(A) The program participant moves after execution of the agreement covering the acquisition, rehabilitation, or

demolition of the property for the project and is either not eligible to return upon project completion or the move occurs before the program participant is provided written notice offering the program participant an opportunity to occupy a suitable, decent, safe, and sanitary dwelling in the same building or complex upon project completion under reasonable terms and conditions. Such reasonable terms and conditions must include a lease (or occupancy agreement, as applicable) consistent with Continuum of Care program requirements, including a monthly rent or occupancy charge and monthly utility costs that does not exceed the maximum amounts established in § 578.77; or

(B) The program participant is required to relocate temporarily, does not return to the building or complex, and any one of the following situations occurs:

(1) The program participant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation;

(2) The program participant is not eligible to return to the building or complex upon project completion; or

(3) Other conditions of the temporary relocation are not reasonable; or

(C) The program participant is required to move to another unit in the same building or complex, and any one of the following situations occurs:

(1) The program participant is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move;

(2) The program participant is not eligible to remain in the building or complex upon project completion; or

(3) Other conditions of the move are not reasonable.

(iii) Notwithstanding the provisions of paragraph (c)(2)(i) or (ii) of this section, a person does not qualify as a "displaced person" if:

(A) The person has been evicted for serious or repeated violation of the terms and conditions of the lease or occupancy agreement; the eviction complied with applicable federal, State, or local requirements (see § 578.91); and the recipient or subrecipient determines that the eviction was not undertaken for the purpose of evading the

obligation to provide relocation assistance;

(B) The person moved into the property after the submission of the application but, before signing a lease or occupancy agreement and commencing occupancy, was provided written notice of the project's possible impact on the person (*e.g.*, the person may be displaced, temporarily relocated, or incur a rent increase) and the fact that the person would not qualify as a "displaced person" (or for any relocation assistance provided under this section), as a result of the project;

(C) The person is ineligible under 49 CFR 24.2(a)(9)(ii);

(D) The person is a program participant occupying transitional housing or permanent housing assisted under Title IV of the Act who must move as a direct result of the length-of-occupancy restriction under § 578.79; or

(E) HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

(iv) The recipient may request, at any time, HUD's determination of whether a displacement is or would be covered under this section.

(3) *Initiation of negotiations.* For purposes of determining the formula for computing replacement housing payment assistance to be provided to a displaced person pursuant to this section, if the displacement is a direct result of privately undertaken rehabilitation, demolition, or acquisition of the real property, "initiation of negotiations" means the execution of the agreement between the recipient and the subrecipient, or between the recipient (or subrecipient, as applicable) and the person owning or controlling the property. In the case of an option contract to acquire property, the initiation of negotiations does not become effective until execution of a written agreement that creates a legally enforceable commitment to proceed with the purchase, such as a purchase agreement.

(d) *Real property acquisition requirements.* Except for acquisitions described in 49 CFR 24.101(b)(1) through (5), the URA and the requirements of 49 CFR part 24, subpart B apply to any acquisition of real property for a project

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where there are Continuum of Care funds in any part of the project costs.

(e) *Appeals.* A person who disagrees with the recipient's (or subrecipient's, if applicable) determination concerning whether the person qualifies as a displaced person, or the amount of relocation assistance for which the person is eligible, may file a written appeal of that determination with the recipient (see 49 CFR 24.10). A low-income person who is dissatisfied with the recipient's determination on his or her appeal may submit a written request for review of that determination to the local HUD field office.

§ 578.85 Timeliness standards.

(a) *In general.* Recipients must initiate approved activities and projects promptly.

(b) *Construction activities.* Recipients of funds for rehabilitation or new construction must meet the following standards:

(1) Construction activities must begin within 9 months of the later of signing of the grant agreement or of signing an addendum to the grant agreement authorizing use of grant funds for the project.

(2) Construction activities must be completed within 24 months of signing the grant agreement.

(3) Activities that cannot begin until after construction activities are completed must begin within 3 months of the date that construction activities are completed.

(c) *Distribution.* A recipient that receives funds through this part must:

(1) Distribute the funds to subrecipients (in advance of expenditures by the subrecipients);

(2) Distribute the appropriate portion of the funds to a subrecipient no later than 45 days after receiving an approvable request for such distribution from the subrecipient; and

(3) Draw down funds at least once per quarter of the program year, after eligible activities commence.

§ 578.87 Limitation on use of funds.

(a) *Maintenance of effort.* No assistance provided under this part (or any State or local government funds used to supplement this assistance) may be used to replace State or local funds

previously used, or designated for use, to assist homeless persons.

(b) *Faith-based activities.* (1) *Equal treatment of program participants and program beneficiaries.* (i) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the Continuum of Care program. Neither the Federal Government nor a State or local government receiving funds under the Continuum of Care program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

(ii) *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

(2) *Separation of explicitly religious activities.* Recipients and subrecipients of Continuum of Care funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.

(3) *Religious identity.* A faith-based organization that is a recipient or subrecipient of Continuum of Care program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from federal, State, and local

government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a Continuum of Care program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

(4) *Alternative provider.* If a program participant or prospective program participant of the Continuum of Care program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of § 578.103(a)(13). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

(5) *Structures.* Program funds may not be used for the acquisition, construc-

tion, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the Continuum of Care program. Sanctuaries, chapels, or other rooms that a Continuum of Care program-funded religious congregation uses as its principal place of worship, however, are ineligible for Continuum of Care program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to governmentwide regulations governing real property disposition (see 24 CFR parts 84 and 85).

(6) *Supplemental funds.* If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

(c) *Restriction on combining funds.* In a single structure or housing unit, the following types of assistance may not be combined:

- (1) Leasing and acquisition, rehabilitation, or new construction;
- (2) Tenant-based rental assistance and acquisition, rehabilitation, or new construction;
- (3) Short- or medium-term rental assistance and acquisition, rehabilitation, or new construction;
- (4) Rental assistance and leasing; or
- (5) Rental assistance and operating.

(d) *Program fees.* Recipients and subrecipients may not charge program participants program fees.

§ 578.89 Limitation on use of grant funds to serve persons defined as homeless under other federal laws.

(a) *Application requirement.* Applicants that intend to serve unaccompanied youth and families with children and youth defined as homeless under other federal laws in paragraph (3) of the homeless definition in § 576.2 must demonstrate in their application, to HUD's satisfaction, that the use of grant funds to serve such persons is an equal or greater priority than serving persons defined as homeless under paragraphs (1), (2), and (4) of the definition of homeless in § 576.2. To demonstrate that it is of equal or greater priority, applicants must show that it is equally or more cost effective in meeting the overall goals and objectives of the plan submitted under section 427(b)(1)(B) of the Act, especially with respect to children and unaccompanied youth.

(b) *Limit.* No more than 10 percent of the funds awarded to recipients within a single Continuum of Care's geographic area may be used to serve such persons.

(c) *Exception.* The 10 percent limitation does not apply to Continuums in which the rate of homelessness, as calculated in the most recent point-in-time count, is less than one-tenth of one percent of the total population.

§ 578.91 Termination of assistance to program participants.

(a) *Termination of assistance.* The recipient or subrecipient may terminate assistance to a program participant who violates program requirements or conditions of occupancy. Termination under this section does not bar the recipient or subrecipient from providing further assistance at a later date to the same individual or family.

(b) *Due process.* In terminating assistance to a program participant, the recipient or subrecipient must provide a formal process that recognizes the rights of individuals receiving assistance under the due process of law. This process, at a minimum, must consist of:

(1) Providing the program participant with a written copy of the program rules and the termination process be-

fore the participant begins to receive assistance;

(2) Written notice to the program participant containing a clear statement of the reasons for termination;

(3) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and

(4) Prompt written notice of the final decision to the program participant.

(c) *Hard-to-house populations.* Recipients and subrecipients that are providing permanent supportive housing for hard-to-house populations of homeless persons must exercise judgment and examine all extenuating circumstances in determining when violations are serious enough to warrant termination so that a program participant's assistance is terminated only in the most severe cases.

§ 578.93 Fair Housing and Equal Opportunity.

(a) *Nondiscrimination and equal opportunity requirements.* The nondiscrimination and equal opportunity requirements set forth in 24 CFR 5.105(a) are applicable.

(b) *Housing for specific subpopulations.* Recipients and subrecipients may exclusively serve a particular homeless subpopulation in transitional or permanent housing if the housing addresses a need identified by the Continuum of Care for the geographic area and meets one of the following:

(1) The housing may be limited to one sex where such housing consists of a single structure with shared bedrooms or bathing facilities such that the considerations of personal privacy and the physical limitations of the configuration of the housing make it appropriate for the housing to be limited to one sex;

(2) The housing may be limited to a specific subpopulation, so long as admission does not discriminate against any protected class under federal nondiscrimination laws in 24 CFR 5.105 (e.g., the housing may be limited to homeless veterans, victims of domestic violence and their children, or chronically homeless persons and families).

(3) The housing may be limited to families with children.

(4) If the housing has in residence at least one family with a child under the age of 18, the housing may exclude registered sex offenders and persons with a criminal record that includes a violent crime from the project so long as the child resides in the housing.

(5) Sober housing may exclude persons who refuse to sign an occupancy agreement or lease that prohibits program participants from possessing, using, or being under the influence of illegal substances and/or alcohol on the premises.

(6) If the housing is assisted with funds under a federal program that is limited by federal statute or Executive Order to a specific subpopulation, the housing may be limited to that subpopulation (e.g., housing also assisted with funding from the Housing Opportunities for Persons with AIDS program under 24 CFR part 574 may be limited to persons with acquired immunodeficiency syndrome or related diseases).

(7) Recipients may limit admission to or provide a preference for the housing to subpopulations of homeless persons and families who need the specialized supportive services that are provided in the housing (e.g., substance abuse addiction treatment, domestic violence services, or a high intensity package designed to meet the needs of hard-to-reach homeless persons). While the housing may offer services for a particular type of disability, no otherwise eligible individuals with disabilities or families including an individual with a disability, who may benefit from the services provided may be excluded on the grounds that they do not have a particular disability.

(c) *Affirmatively furthering fair housing.* A recipient must implement its programs in a manner that affirmatively furthers fair housing, which means that the recipient must:

(1) Affirmatively market their housing and supportive services to eligible persons regardless of race, color, national origin, religion, sex, age, familial status, or handicap who are least likely to apply in the absence of special outreach, and maintain records of those marketing activities;

(2) Where a recipient encounters a condition or action that impedes fair housing choice for current or prospective program participants, provide such information to the jurisdiction that provided the certification of consistency with the Consolidated Plan; and

(3) Provide program participants with information on rights and remedies available under applicable federal, State and local fair housing and civil rights laws.

(d) *Accessibility and integrative housing and services for persons with disabilities.* Recipients and subrecipients must comply with the accessibility requirements of the Fair Housing Act (24 CFR part 100), Section 504 of the Rehabilitation Act of 1973 (24 CFR part 8), and Titles II and III of the Americans with Disabilities Act, as applicable (28 CFR parts 35 and 36). In accordance with the requirements of 24 CFR 8.4(d), recipients must ensure that their program's housing and supportive services are provided in the most integrated setting appropriate to the needs of persons with disabilities.

(e) *Prohibition against involuntary family separation.* The age and gender of a child under age 18 must not be used as a basis for denying any family's admission to a project that receives funds under this part.

§ 578.95 Conflicts of interest.

(a) *Procurement.* For the procurement of property (goods, supplies, or equipment) and services, the recipient and its subrecipients must comply with the codes of conduct and conflict-of-interest requirements under 24 CFR 85.36 (for governments) and 24 CFR 84.42 (for private nonprofit organizations).

(b) *Continuum of Care board members.* No Continuum of Care board member may participate in or influence discussions or resulting decisions concerning the award of a grant or other financial benefits to the organization that the member represents.

(c) *Organizational conflict.* An organizational conflict of interest arises when, because of activities or relationships with other persons or organizations, the recipient or subrecipient is unable or potentially unable to render impartial assistance in the provision of any type or amount of assistance under

this part, or when a covered person's, as in paragraph (d)(1) of this section, objectivity in performing work with respect to any activity assisted under this part is or might be otherwise impaired. Such an organizational conflict would arise when a board member of an applicant participates in decision of the applicant concerning the award of a grant, or provision of other financial benefits, to the organization that such member represents. It would also arise when an employee of a recipient or subrecipient participates in making rent reasonableness determinations under § 578.49(b)(2) and § 578.51(g) and housing quality inspections of property under § 578.75(b) that the recipient, subrecipient, or related entity owns.

(d) *Other conflicts.* For all other transactions and activities, the following restrictions apply:

(1) No covered person, meaning a person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or its subrecipients and who exercises or has exercised any functions or responsibilities with respect to activities assisted under this part, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under this part, may obtain a financial interest or benefit from an assisted activity, have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity, or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or during the one-year period following his or her tenure.

(2) *Exceptions.* Upon the written request of the recipient, HUD may grant an exception to the provisions of this section on a case-by-case basis, taking into account the cumulative effects of the criteria in paragraph (d)(2)(i) of this section, provided that the recipient has satisfactorily met the threshold requirements of paragraph (d)(2)(ii) of this section.

(i) *Threshold requirements.* HUD will consider an exception only after the recipient has provided the following documentation:

(A) Disclosure of the nature of the conflict, accompanied by a written assurance, if the recipient is a government, that there has been public disclosure of the conflict and a description of how the public disclosure was made; and if the recipient is a private nonprofit organization, that the conflict has been disclosed in accordance with their written code of conduct or other conflict-of-interest policy; and

(B) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law, or if the subrecipient is a private nonprofit organization, the exception would not violate the organization's internal policies.

(ii) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the recipient has satisfactorily met the threshold requirements under paragraph (c)(3)(i) of this section, HUD must conclude that the exception will serve to further the purposes of the Continuum of Care program and the effective and efficient administration of the recipient's or subrecipient's project, taking into account the cumulative effect of the following factors, as applicable:

(A) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;

(B) Whether an opportunity was provided for open competitive bidding or negotiation;

(C) Whether the affected person has withdrawn from his or her functions, responsibilities, or the decision-making process with respect to the specific activity in question;

(D) Whether the interest or benefit was present before the affected person was in the position described in paragraph (c)(1) of this section;

(E) Whether undue hardship will result to the recipient, the subrecipient, or the person affected, when weighed against the public interest served by avoiding the prohibited conflict;

(F) Whether the person affected is a member of a group or class of persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as

are being made available or provided to the group or class; and

(G) Any other relevant considerations.

§ 578.97 Program income.

(a) *Defined.* Program income is the income received by the recipient or subrecipient directly generated by a grant-supported activity.

(b) *Use.* Program income earned during the grant term shall be retained by the recipient, and added to funds committed to the project by HUD and the recipient, used for eligible activities in accordance with the requirements of this part. Costs incident to the generation of program income may be deducted from gross income to calculate program income, provided that the costs have not been charged to grant funds.

(c) *Rent and occupancy charges.* Rents and occupancy charges collected from program participants are program income. In addition, rents and occupancy charges collected from residents of transitional housing may be reserved, in whole or in part, to assist the residents from whom they are collected to move to permanent housing.

§ 578.99 Applicability of other federal requirements.

In addition to the requirements set forth in 24 CFR part 5, use of assistance provided under this part must comply with the following federal requirements:

(a) *Environmental review.* Activities under this part are subject to environmental review by HUD under 24 CFR part 50 as noted in § 578.31.

(b) *Section 6002 of the Solid Waste Disposal Act.* State agencies and agencies of a political subdivision of a state that are using assistance under this part for procurement, and any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of Section 6003 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. In accordance with Section 6002, these agencies and persons must:

(1) Procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part

247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired in the preceding fiscal year exceeded \$10,000;

(2) Procure solid waste management services in a manner that maximizes energy and resource recovery; and

(3) Must have established an affirmative procurement program for the procurement of recovered materials identified in the EPA guidelines.

(c) *Transparency Act Reporting.* Section 872 of the Duncan Hunter Defense Appropriations Act of 2009, and additional requirements published by the Office of Management and Budget (OMB), requires recipients to report subawards made either as pass-through awards, subrecipient awards, or vendor awards in the Federal Government Web site www.fhrs.gov or its successor system. The reporting of award and subaward information is in accordance with the requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006, as amended by section 6202 of Public Law 110-252 and in OMB Policy Guidance issued to the federal agencies on September 14, 2010 (75 FR 55669).

(d) *The Coastal Barrier Resources Act of 1982* (16 U.S.C. 3501 *et seq.*) may apply to proposals under this part, depending on the assistance requested.

(e) *Applicability of OMB Circulars.* The requirements of 24 CFR part 85—Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments and 2 CFR part 225—Cost Principles for State, Local and Indian Tribal Governments (OMB Circular A-87)—apply to governmental recipients and subrecipients except where inconsistent with the provisions of this part. The requirements of 24 CFR part 84—Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations; 2 CFR part 230—Cost Principles for Non-Profit Organizations (OMB Circular A-122); and 2 CFR part

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220—Cost Principles for Education Institutions apply to the nonprofit recipients and subrecipients, except where inconsistent with the provisions of the McKinney-Vento Act or this part.

(f) *Lead-based paint.* The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, J, K, M, and R apply to activities under this program.

(g) *Audit.* Recipients and subrecipients must comply with the audit requirements of OMB Circular A-133, “Audits of States, Local Governments, and Non-profit Organizations.”

(h) *Davis-Bacon Act.* The provisions of the Davis-Bacon Act do not apply to this program.

(i) *Section 3 of the Housing and Urban Development Act.* Recipients and subrecipients must, as applicable, comply with Section 3 of the Housing and Urban Development Act of 1968 and its implementing regulations at 24 CFR part 135, as applicable.

Subpart G—Grant Administration

§ 578.101 Technical assistance.

(a) *Purpose.* The purpose of Continuum of Care technical assistance is to increase the effectiveness with which Continuums of Care, eligible applicants, recipients, subrecipients, and UFAs implement and administer their Continuum of Care planning process; improve their capacity to prepare applications; prevent the separation of families in projects funded under the Emergency Solutions Grants, Continuum of Care, and Rural Housing Stability Assistance programs; and adopt and provide best practices in housing and services for persons experiencing homelessness.

(b) *Defined.* Technical assistance means the transfer of skills and knowledge to entities that may need, but do not possess, such skills and knowledge. The assistance may include, but is not limited to, written information such as papers, manuals, guides, and brochures; person-to-person exchanges; web-based curriculums, training and Webinars, and their costs.

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(c) *Set-aside.* HUD may set aside funds annually to provide technical assistance, either directly by HUD staff or indirectly through third-party providers.

(d) *Awards.* From time to time, as HUD determines the need, HUD may advertise and competitively select providers to deliver technical assistance. HUD may enter into contracts, grants, or cooperative agreements, when necessary, to implement the technical assistance. HUD may also enter into agreements with other federal agencies for awarding the technical assistance funds.

§ 578.103 Recordkeeping requirements.

(a) *In general.* The recipient and its subrecipients must establish and maintain standard operating procedures for ensuring that Continuum of Care program funds are used in accordance with the requirements of this part and must establish and maintain sufficient records to enable HUD to determine whether the recipient and its subrecipients are meeting the requirements of this part, including:

(1) *Continuum of Care records.* Each collaborative applicant must keep the following documentation related to establishing and operating a Continuum of Care:

(i) Evidence that the Board selected by the Continuum of Care meets the requirements of § 578.5(b);

(ii) Evidence that the Continuum has been established and operated as set forth in subpart B of this part, including published agendas and meeting minutes, an approved Governance Charter that is reviewed and updated annually, a written process for selecting a board that is reviewed and updated at least once every 5 years, evidence required for designating a single HMIS for the Continuum, and monitoring reports of recipients and subrecipients;

(iii) Evidence that the Continuum has prepared the application for funds as set forth in § 578.9, including the designation of the eligible applicant to be the collaborative applicant.

(2) *Unified funding agency records.* UFAs that requested grant amendments from HUD, as set forth in § 578.105, must keep evidence that the

grant amendment was approved by the Continuum. This evidence may include minutes of meetings at which the grant amendment was discussed and approved.

(3) *Homeless status.* Acceptable evidence of the homeless as status is set forth in 24 CFR 576.500(b).

(4) *At risk of homelessness status.* For those recipients and subrecipients that serve persons at risk of homelessness, the recipient or subrecipient must keep records that establish "at risk of homelessness" status of each individual or family who receives Continuum of Care homelessness prevention assistance. Acceptable evidence is found in 24 CFR 576.500(c).

(5) *Records of reasonable belief of imminent threat of harm.* For each program participant who moved to a different Continuum of Care due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking under §578.51(c)(3), each recipient or subrecipient of assistance under this part must retain:

(i) Documentation of the original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.

(ii) Documentation of the reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other pro-

fessional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.

(6) *Annual income.* For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the recipient or subrecipient must keep the following documentation of annual income:

(i) Income evaluation form specified by HUD and completed by the recipient or subrecipient; and

(ii) Source documents (*e.g.*, most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;

(iii) To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, employer, government benefits administrator) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or

(iv) To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the 3-month period following the evaluation.

(7) *Program participant records.* In addition to evidence of "homeless" status or "at-risk-of-homelessness" status, as applicable, the recipient or subrecipient must keep records for each program participant that document:

(i) The services and assistance provided to that program participant, including evidence that the recipient or subrecipient has conducted an annual

§ 578.103

assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in § 578.37(a)(1)(ii)(F); and

(ii) Where applicable, compliance with the termination of assistance requirement in § 578.91.

(8) *Housing standards.* The recipient or subrecipient must retain documentation of compliance with the housing standards in § 578.75(b), including inspection reports.

(9) *Services provided.* The recipient or subrecipient must document the types of supportive services provided under the recipient's program and the amounts spent on those services. The recipient or subrecipient must keep record that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.

(10) *Match.* The recipient must keep records of the source and use of contributions made to satisfy the match requirement in § 578.73. The records must indicate the grant and fiscal year for which each matching contribution is counted. The records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services must be supported by the same methods that the organization uses to support the allocation of regular personnel costs.

(11) *Conflicts of interest.* The recipient and its subrecipients must keep records to show compliance with the organizational conflict-of-interest requirements in § 578.95(c), the Continuum of Care board conflict-of-interest requirements in § 578.95(b), the other conflict requirements in § 578.95(d), a copy of the personal conflict-of-interest policy developed and implemented to comply with the requirements in § 578.95, and records supporting exceptions to the personal conflict-of-interest prohibitions.

(12) *Homeless participation.* The recipient or subrecipient must document its compliance with the homeless participation requirements under § 578.75(g).

(13) *Faith-based activities.* The recipient and its subrecipients must document their compliance with the faith-

24 CFR Ch. V (4-1-13 Edition)

based activities requirements under § 578.87(b).

(14) *Affirmatively Furthering Fair Housing.* Recipients and subrecipients must maintain copies of their marketing, outreach, and other materials used to inform eligible persons of the program to document compliance with the requirements in § 578.93(c).

(15) *Other federal requirements.* The recipient and its subrecipients must document their compliance with the federal requirements in § 578.99, as applicable.

(16) *Subrecipients and contractors.* (i) The recipient must retain copies of all solicitations of and agreements with subrecipients, records of all payment requests by and dates of payments made to subrecipients, and documentation of all monitoring and sanctions of subrecipients, as applicable.

(ii) The recipient must retain documentation of monitoring subrecipients, including any monitoring findings and corrective actions required.

(iii) The recipient and its subrecipients must retain copies of all procurement contracts and documentation of compliance with the procurement requirements in 24 CFR 85.36 and 24 CFR part 84.

(17) *Other records specified by HUD.* The recipient and subrecipients must keep other records specified by HUD.

(b) *Confidentiality.* In addition to meeting the specific confidentiality and security requirements for HMIS data, the recipient and its subrecipients must develop and implement written procedures to ensure:

(1) All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance will be kept secure and confidential;

(2) The address or location of any family violence project assisted with Continuum of Care funds will not be made public, except with written authorization of the person responsible for the operation of the project; and

(3) The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of

the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;

(c) *Period of record retention.* All records pertaining to Continuum of Care funds must be retained for the greater of 5 years or the period specified below. Copies made by microfilming, photocopying, or similar methods may be substituted for the original records.

(1) Documentation of each program participant's qualification as a family or individual at risk of homelessness or as a homeless family or individual and other program participant records must be retained for 5 years after the expenditure of all funds from the grant under which the program participant was served; and

(2) Where Continuum of Care funds are used for the acquisition, new construction, or rehabilitation of a project site, records must be retained until 15 years after the date that the project site is first occupied, or used, by program participants.

(d) *Access to records.* (1) *Federal Government rights.* Notwithstanding the confidentiality procedures established under paragraph (b) of this section, HUD, the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the recipient and its subrecipients that are pertinent to the Continuum of Care grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.

(2) *Public rights.* The recipient must provide citizens, public agencies, and other interested parties with reasonable access to records regarding any uses of Continuum of Care funds the recipient received during the preceding 5 years, consistent with State and local laws regarding privacy and obligations of confidentiality and confidentiality requirements in this part.

(e) *Reports.* In addition to the reporting requirements in 24 CFR parts 84 and 85, the recipient must collect and report data on its use of Continuum of

Care funds in an Annual Performance Report (APR), as well as in any additional reports as and when required by HUD. Projects receiving grant funds only for acquisition, rehabilitation, or new construction must submit APRs for 15 years from the date of initial occupancy or the date of initial service provision, unless HUD provides an exception under § 578.81(e).

§ 578.105 Grant and project changes.

(a) *For Unified Funding Agencies and Continuums having only one recipient.* (1) The recipient may not make any significant changes without prior HUD approval, evidenced by a grant amendment signed by HUD and the recipient. Significant grant changes include a change of recipient, a shift in a single year of more than 10 percent of the total amount awarded under the grant for one approved eligible activity category to another activity and a permanent change in the subpopulation served by any one project funded under the grant, as well as a permanent proposed reduction in the total number of units funded under the grant.

(2) Approval of substitution of the recipient is contingent on the new recipient meeting the capacity criteria in the NOFA under which the grant was awarded, or the most recent NOFA. Approval of shifting funds between activities and changing subpopulations is contingent on the change being necessary to better serve eligible persons within the geographic area and ensuring that the priorities established under the NOFA in which the grant was originally awarded, or the most recent NOFA, are met.

(b) *For Continuums having more than one recipient.* (1) The recipients or subrecipients may not make any significant changes to a project without prior HUD approval, evidenced by a grant amendment signed by HUD and the recipient. Significant changes include a change of recipient, a change of project site, additions or deletions in the types of eligible activities approved for a project, a shift of more than 10 percent from one approved eligible activity to another, a reduction in the number of units, and a change in the subpopulation served.

(2) Approval of substitution of the recipient is contingent on the new recipient meeting the capacity criteria in the NOFA under which the grant was awarded, or the most recent NOFA. Approval of shifting funds between activities and changing subpopulations is contingent on the change being necessary to better serve eligible persons within the geographic area and ensuring that the priorities established under the NOFA in which the grant was originally awarded, or the most recent NOFA, are met.

(c) *Documentation of changes not requiring a grant amendment.* Any other changes to an approved grant or project must be fully documented in the recipient's or subrecipient's records.

§ 578.107 Sanctions.

(a) *Performance reviews.* (1) HUD will review the performance of each recipient in carrying out its responsibilities under this part, with or without prior notice to the recipient. In conducting performance reviews, HUD will rely primarily on information obtained from the records and reports from the recipient and subrecipients, as well as information from on-site monitoring, audit reports, and information generated from HUD's financial and reporting systems (e.g., LOCCS and e-snaps) and HMIS. Where applicable, HUD may also consider relevant information pertaining to the recipient's performance gained from other sources, including citizen comments, complaint determinations, and litigation.

(2) If HUD determines preliminarily that the recipient or one of its subrecipients has not complied with a program requirement, HUD will give the recipient notice of this determination and an opportunity to demonstrate, within the time prescribed by HUD and on the basis of substantial facts and data that the recipient has complied with the requirements. HUD may change the method of payment to require the recipient to submit documentation before payment and obtain HUD's prior approval each time the recipient draws down funds. To obtain prior approval, the recipient may be required to manually submit its payment requests and supporting documentation

to HUD in order to show that the funds to be drawn down will be expended on eligible activities in accordance with all program requirements.

(3) If the recipient fails to demonstrate to HUD's satisfaction that the activities were carried out in compliance with program requirements, HUD may take one or more of the remedial actions or sanctions specified in paragraph (b) of this section.

(b) *Remedial actions and sanctions.* Remedial actions and sanctions for a failure to meet a program requirement will be designed to prevent a continuation of the deficiency; to mitigate, to the extent possible, its adverse effects or consequences; and to prevent its recurrence.

(1) HUD may instruct the recipient to submit and comply with proposals for action to correct, mitigate, and prevent noncompliance with program requirements, including:

(i) Preparing and following a schedule of actions for carrying out activities and projects affected by the noncompliance, including schedules, timetables, and milestones necessary to implement the affected activities and projects;

(ii) Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions;

(iii) Canceling or revising activities or projects likely to be affected by the noncompliance, before expending grant funds for them;

(iv) Reprogramming grant funds that have not yet been expended from affected activities or projects to other eligible activities or projects;

(v) Suspending disbursement of grant funds for some or all activities or projects;

(vi) Reducing or terminating the remaining grant of a subrecipient and either reallocating those funds to other subrecipients or returning funds to HUD; and

(vii) Making matching contributions before or as draws are made from the recipient's grant.

(2) HUD may change the method of payment to a reimbursement basis.

(3) HUD may suspend payments to the extent HUD determines necessary

to preclude the further expenditure of funds for affected activities or projects.

(4) HUD may continue the grant with a substitute recipient of HUD's choosing.

(5) HUD may deny matching credit for all or part of the cost of the affected activities and require the recipient to make further matching contributions to make up for the contribution determined to be ineligible.

(6) HUD may require the recipient to reimburse the recipient's line of credit in an amount equal to the funds used for the affected activities.

(7) HUD may reduce or terminate the remaining grant of a recipient.

(8) HUD may condition a future grant.

(9) HUD may take other remedies that are legally available.

(c) *Recipient sanctions.* If the recipient determines that a subrecipient is not complying with a program requirement or its subrecipient agreement, the recipient must take one of the actions listed in paragraphs (a) and (b) of this section.

(d) *Deobligation.* HUD may deobligate funds for the following reasons:

(1) If the timeliness standards in § 578.85 are not met;

(2) If HUD determines that delays completing construction activities for a project will mean that the funds for other funded activities cannot reasonably be expected to be expended for eligible costs during the remaining term of the grant;

(3) If the actual total cost of acquisition, rehabilitation, or new construction for a project is less than the total cost agreed to in the grant agreement;

(4) If the actual annual leasing costs, operating costs, supportive services costs, rental assistance costs, or HMIS costs are less than the total cost agreed to in the grant agreement for a one-year period;

(5) Program participants have not moved into units within 3 months of the time that the units are available for occupancy; and

(6) The grant agreement may set forth in detail other circumstances under which funds may be deobligated and other sanctions may be imposed.

§ 578.109 Closeout.

(a) *In general.* Grants will be closed out in accordance with the requirements of 24 CFR parts 84 and 85, and closeout procedures established by HUD.

(b) *Reports.* Applicants must submit all reports required by HUD no later than 90 days from the date of the end of the project's grant term.

(c) *Closeout agreement.* Any obligations remaining as of the date of the closeout must be covered by the terms of a closeout agreement. The agreement will be prepared by HUD in consultation with the recipient. The agreement must identify the grant being closed out, and include provisions with respect to the following:

(1) Identification of any closeout costs or contingent liabilities subject to payment with Continuum of Care program funds after the closeout agreement is signed;

(2) Identification of any unused grant funds to be deobligated by HUD;

(3) Identification of any program income on deposit in financial institutions at the time the closeout agreement is signed;

(4) Description of the recipient's responsibility after closeout for:

(i) Compliance with all program requirements in using program income on deposit at the time the closeout agreement is signed and in using any other remaining Continuum of Care program funds available for closeout costs and contingent liabilities;

(ii) Use of real property assisted with Continuum of Care program funds in accordance with the terms of commitment and principles;

(iii) Use of personal property purchased with Continuum of Care program funds; and

(iv) Compliance with requirements governing program income received subsequent to grant closeout.

(5) Other provisions appropriate to any special circumstances of the grant closeout, in modification of or in addition to the obligations in paragraphs (c)(1) through (4) of this section.

Tax ID Number: 93-6002286
Grant Number: OR0166L0E071301
DUNS Number: 096992656

EXHIBIT 2
SCOPE OF WORK for FY2013 COMPETITION

1. This Agreement is governed by the Continuum of Care program Interim Rule attached hereto and made a part hereof as Exhibit 1a. Upon publication for effect of a Final Rule for the Continuum of Care program, the Final Rule will govern this Agreement instead of the Interim Rule. The project listed on this Exhibit at 3., below, is also subject to the terms of the FY2013 Notice of Funds Availability.
2. The Continuum that designated Recipient to apply for grant funds is not a high-performing community.
3. Recipient is not a Unified Funding Agency and was not the only Applicant the Continuum of Care designated to apply for and receive grant funds and is not the only Recipient for the Continuum of Care that designated it. HUD's total funding obligation for this grant is \$37012 for project number OR0166L0E071301. In accordance with 24 CFR 578.105(b), Recipient is prohibited from moving more than 10% from one budget line item in a project's approved budget to another without a written amendment to this Agreement. The obligation for this project shall be allocated as follows:

a. CoC Planning cost	\$ 0
b. Acquisition	\$ 0
c. New construction	\$ 0
d. Rehabilitation	\$ 0
e. Leasing	\$ 0
f. Rental assistance	\$ 0
i. Tenant-based rental assistance	\$
ii. Project-based rental assistance	\$
iii. Sponsor-based rental assistance	\$
g. Supportive services	\$ 0
h. Operating costs	\$ 0
i. HMIS	\$ 34712
j. Administration	\$ 2300

4. No funds for new projects may be drawn down by Recipient until HUD has approved site control pursuant to §578.21 and §578.25 and no funds for renewal projects may be drawn down by Recipient before the end date of the project's final operating year under the grant that has been renewed.
5. Nothing in this grant agreement shall be construed as creating or justifying any claim against the federal government or the grantee by any third party.

This agreement is hereby executed on behalf of the parties as follows:

**UNITED STATES OF AMERICA,
Secretary of Housing and Urban Development**

By:



(Signature)

Douglas Carlson, Director

(Typed Name and Title)

June 23, 2014

(Date)

RECIPIENT

Clackamas Dept. Health, Housing & Human Svcs

(Name of Organization)

By:

(Signature of Authorized Official)

Cindy Becker, Director

(Typed Name and Title of Authorized Official)

(Date)

Tax ID Number: 93-6002286
Grant Number: OR0099L0E071306
DUNS Number: 096992656

EXHIBIT 2
SCOPE OF WORK for FY2013 COMPETITION

1. This Agreement is governed by the Continuum of Care program Interim Rule attached hereto and made a part hereof as Exhibit 1a. Upon publication for effect of a Final Rule for the Continuum of Care program, the Final Rule will govern this Agreement instead of the Interim Rule. The project listed on this Exhibit at 3., below, is also subject to the terms of the FY2013 Notice of Funds Availability.
2. The Continuum that designated Recipient to apply for grant funds is not a high-performing community.
3. Recipient is not a Unified Funding Agency and was not the only Applicant the Continuum of Care designated to apply for and receive grant funds and is not the only Recipient for the Continuum of Care that designated it. HUD's total funding obligation for this grant is \$67430 for project number OR0099L0E071306. In accordance with 24 CFR 578.105(b), Recipient is prohibited from moving more than 10% from one budget line item in a project's approved budget to another without a written amendment to this Agreement. The obligation for this project shall be allocated as follows:

a. CoC Planning cost	\$ 0
b. Acquisition	\$ 0
c. New construction	\$ 0
d. Rehabilitation	\$ 0
e. Leasing	\$ 0
f. Rental assistance	\$ 0
i. Tenant-based rental assistance	\$
ii. Project-based rental assistance	\$
iii. Sponsor-based rental assistance	\$
g. Supportive services	\$ 0
h. Operating costs	\$ 0
i. HMIS	\$ 63020
j. Administration	\$ 4410

4. No funds for new projects may be drawn down by Recipient until HUD has approved site control pursuant to §578.21 and §578.25 and no funds for renewal projects may be drawn down by Recipient before the end date of the project's final operating year under the grant that has been renewed.
5. Nothing in this grant agreement shall be construed as creating or justifying any claim against the federal government or the grantee by any third party.

This agreement is hereby executed on behalf of the parties as follows:

**UNITED STATES OF AMERICA,
Secretary of Housing and Urban Development .**

By:



(Signature)

Douglas Carlson, Director

(Typed Name and Title)

June 23, 2014

(Date)

RECIPIENT

Clackamas Dept. Health, Housing & Human Svcs

(Name of Organization)

By:

(Signature of Authorized Official)

Cindy Becker, Director

(Typed Name and Title of Authorized Official)

(Date)

July 24, 2014

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Revenue Intergovernmental Agreement with the
Workforce Investment Council of Clackamas County for Specialized Work Force Services

Purpose/Outcomes	Provides job preparation, case management and job placement for Clackamas County adults with challenges to employment.
Dollar Amount and Fiscal Impact	The total amount of this revenue agreement is \$242,000
Funding Source	Workforce Investment Council of Clackamas County; no County General Funds are involved.
Safety Impact	None
Duration	Effective July 1, 2014 and terminates on June 30, 2015
Previous Board Action	The original contract was approved by the Board of County Commissioners on May 27, 2010 agenda item #062713
Contact Person	Lori Mack 503-655-8843
Contract No.	CSCC 6869

BACKGROUND:

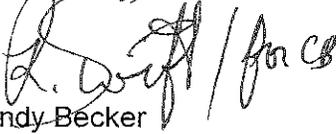
Community Solutions for Clackamas County (CSCC) a division of the Health, Housing & Human Services (H3S) Department, requests approval of a Revenue Intergovernmental Agreement (IGA) between the Workforce Investment Council of Clackamas County and CSCC for specialized work force services designed for individuals leaving the correctional system, individuals managing a mental illness, and the long term unemployed.

The agreement provides for two 1.0 FTE Job Development Specialists, support services and training funds for participants; and wage subsidies for employers to train our participants on the job. County Counsel approved this IGA on July 9, 2014.

RECOMMENDATION:

We recommend approval of this agreement and further recommend that Cindy Becker be authorized to sign on behalf of the Board of Commissioners.

Respectfully submitted,


Cindy Becker
Director

**PERFORMANCE CONTRACT #14-15-3
FOR EMPLOYMENT & TRAINING SERVICES
under the
WORKFORCE INVESTMENT ACT of 1998**

This contract is authorized by the Workforce Investment Act of 1998 and is made and entered into between the Workforce Investment Council of Clackamas County (WICCO), an Oregon Nonprofit Corporation, that is exempt from income taxation under Internal Revenue Code Section 501(c)(3), and

Community Solutions for Clackamas County (Contractor)
112 11th Street
Oregon City, Oregon 97045

The purpose of this contract is to provide employment & workforce training services to Adult/Dislocated Workers in Clackamas County.

In consideration for the services to be provided by the Contractor for the period beginning **July 1, 2014 through June 30, 2015** the Contractor will be paid an amount up to **\$109,600 for Adult Services** and **\$121,400 for Dislocated Worker Services** and **\$11,000 in state general funds for Certified Work Ready Communities Services**. All payments will be made on a cost- reimbursement basis.

Total amount of this contract shall not exceed **\$242,000** except as amended.

The parties, by their signatures, agree to comply with all the terms of this contract including those sections and attachments listed below.

- Section A - General Provisions
- Section B - Project Description/Scope of Work
- Section C - Fiscal Provisions & Budget
- Section D - Special Provisions
- Section E - Certification Regarding Debarment
- Section F - Certification Regarding Lobbying
- Attachment 1 - Detailed Budget
- Attachment 2 - Solutions to Work Specific Requirements

Funding Source Information

Program: WIA Formula Funds

Awarding Agency: US Department of Labor Employment and Training Administration

Funding Source: Workforce Investment Act

CFDA Numbers: Adult 17.258 Dislocated Worker: 17.278

Pass Through Entity: State of Oregon Department of Community Colleges and Workforce Development

Program: Solutions to Work

Awarding Agency: US Department of Labor Employment and Training Administration

Funding Source: Workforce Investment Act - Serving Adult and Youth Ex-Offenders through Strategies Targeted to Characteristics Common to Female Ex-Offenders

CFDA Number: 17.270

Pass Through Entity: N/A

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY CONTRACT
SECTION A
GENERAL PROVISIONS

1. **Authority to Contract**

Contractor certifies that it possesses the legal authority under laws of the State of Oregon to enter into this contract by approval of its governing board which has authorized the execution of this contract.

2. **Debarment** 20 CFR 667.200 (e)

The Contractor, as a recipient of any Federal assistance funds, whether all or only a part of the funds are provided by the Workforce Investment Council of Clackamas County (WICCO), certifies by signature of this contract that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or awarding agency (see Section E of this contract).

3. **Project Coverage**

The Contractor shall operate the WIA project and services described in Section B.

4. **Compliance**

Contractor will comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Work under this Contract. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with: (i) Title IV of the Civil Rights Act of 1964; (ii) section V of the Rehabilitation Act of 1973 (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

WICCOs performance under this contract is conditioned upon Contractor's compliance with the provisions of ORS Chapters 279A, 279B, and 279C, which are incorporated by reference herein. Contractor will ensure that the language "equal opportunity employer/program" and "auxiliary aids and services are available upon request to individuals with disabilities" appear on each work product in both English and **Spanish**. Contractor will ensure that it does not discriminate on the basis of any of the protections covered by the Workforce Investment Act and the regulations set forth at 29 CFR part 37.

Additionally the following special terms apply to this contract promulgated by the funding source and cited Federal Code:

- 20 CFR 667.210(g) *Nepotism*. No individual may be placed in a WIA employment activity if a member of that person's immediate family is directly supervised by or directly supervises that individual.
- 20 CFR 667.260 *Construction, purchase and renovation of real property*: Notwithstanding the exceptions listed in subsection 260 (b-d), WIA title I funds provided under this contract must not be spent for construction or purchase of facilities without prior approval from the Awarding Agency.
- 20 CFR 667.262 *Employment generating activities* WIA funds may not be spent on employment generating activities, economic development activities, investment in revolving

loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities that are not directly related to training for eligible individuals

- 20 CFR 667.264 *Prohibited activities*: WIA title I funds must not be spent on: (1) The wages of incumbent employees during their participation in economic development activities provided through a Statewide workforce investment system, (WIA sec.181(b)(1).); (2) Public service employment (WIA sec. 195(10)), except to provide disaster relief employment, as specifically authorized in section 173(d) of WIA.; (3) Expenses prohibited under any other Federal, State or local law or regulation. WIA funds must not be used for foreign travel. (WIA sec. 181(e). (4) Drug testing (WIA sec 181(f)
- 20 CFR 667.266 *Limitations on sectarian activities*: WIA title I financial assistance may not be spent on the employment or training of participants in sectarian activities.
- 20 CFR 667.268 *Business relocation service prohibitions*: (1) WIA funds may not be used or proposed to be used for: the encouragement or inducement of a business, or part of a business, to relocate from any location in the United States, if the relocation results in any employee losing his or her job at the original location; (2) no customized training, skill training, or on-the-job training or company specific assessments of job applicants or employees of a business or a part of a business that has relocated from any location in the United States, may be provided until the company has operated at that location for 120 days, if the relocation has resulted in any employee losing his or her jobs at the original location.
- 20 CFR 667.270 *Employee displacement prohibitions* (a) A participant in a program or activity authorized under title I of WIA must not displace (including a partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits) any currently employed employee. (b) A program or activity authorized under title I of WIA must not impair existing contracts for services or collective bargaining agreements. When a program or activity would be inconsistent with a collective bargaining agreement, the appropriate labor organization and employer must provide written concurrence before the program or activity begins.(c) A participant in a program or activity may not be employed in or assigned to a job if: (1) Any other individual is on layoff from the same or any substantially equivalent job; (2) The employer has terminated the employment of any regular, unsubsidized employee or otherwise caused an involuntary reduction in its workforce with the intention of filling the vacancy so created with the WIA participant; or (3) The job is created in a promotional line that infringes in any way on the promotional opportunities of currently employed workers.
- WIA sec 195(2) WIA funds shall only be used for activities that are in addition to those that would otherwise be available in the local area in the absence of such funds.
- WIA sec 195 (5) No person or organization may charge a fee to any individual for referral to or placement in training or employment programs

The Contractor agrees to comply with the Uniform Administrative Requirements; 29 CFR Part 97, for State/Local Governments and Indian Tribes; or 29 CFR Part 95, for Institutions of Higher Education, Hospitals and other Non-Profit Organizations and Commercial Organizations.

The Contractor agrees to comply with all applicable Oregon State and Clackamas County laws, rules and regulations, as well as State and WICCO policies, procedures, and regulations.

The Contractor shall comply with the Workforce Investment Act (WIA) as amended and all subsequent amendments thereto and all implementing regulations.

5. **Indemnity Clause** PL 105-220 Sec. 184; 20 CFR Subpart G.

To the extent permitted by the Oregon Constitution, Article XI, Sections 7 and 10, and subject to the limitations of the Oregon Tort Claims Act or provided for in private insurance contracts, Contractor agrees to indemnify, defend, and hold WICCO harmless from all damages, losses, and

expenses including (but not limited to) attorney fees, and to defend all claims, proceedings, lawsuits, and judgments arising out of or resulting from Contractor's negligence in the performance of or failure to perform under this contract. Either party to this contract shall not be required to indemnify or defend the other party for any liability arising out of wrongful acts of its own officers, employees, or agents.

Any act or omission by Contractor which results in repayment of funds to the funding source shall be the responsibility of Contractor. Contractor agrees to repay such funds and to defend and indemnify WICCO as set forth above.

6. **Records Control** PL 105-220; 29 CFR Parts 37, 95.53, 97.42; ORS Chap. 192, ORS 660.300-660.339; OAR 151-020-0060 – 151-020-0090; CCWD WIA Policy #589-40.4

(A) The Contractor shall establish maintain and safeguard all participant files, records, project records, and documents. Contractor shall ensure confidentiality of participant information as provided in State law and administrative rules. Records must be sufficient to justify all payments claimed and paid under this contract. Contractor and any subcontractor will incorporate into their management systems the following procedures for the management of all WIA records.

1. Retain all records and documents pertinent to the grants, grant agreements, interagency agreements, contracts or any other award, including financial, statistical, or other pertinent records, and supporting documentation, for a period of at least three (3) years after the original submittal by the State of Oregon Department of Community Colleges and Workforce Development (CCWD) of the final expenditure report (closeout) for that funding period to the federal Department of Labor, the awarding agency;
2. Retain all records of non-expendable property for a period of at least three years after final disposition of property;
3. Retain indirect cost records such as computations or proposals, cost allocation plans, and supporting documentation for three years from the date the indirect cost rate package is submitted for negotiation. If not submitted for negotiation, the three-year period identified in (1) above shall apply;
4. Retain all records pertinent to applicants, registrants, eligible applicants/registrants, participants, terminees, employees, and applicants for employment for a period of not less than three years from the close of the applicant program year. Such records must be maintained as whole record system;
5. Retain records regarding complaints and action taken on the complaints for a period of not less than three years from the date of resolution of the complaint;
6. Retain all records beyond the required three years if any litigation or audit has begun or a claim is instituted involving the grant or agreement covered by the records. The records shall be retained until the litigation, audit, or claim has been resolved or the required three years, whichever period is longer.

In the event Contractor or subcontractor is unable to keep their records, Contractor shall notify WICCO who will take custody and be responsible for the maintenance and retention of the records.

Disposal

No records addressed in this policy shall be disposed of without instruction from or approval of WICCO. WICCO will provide instructions and timelines for disposing of records. Any records that are confidential in nature, including participant records, must be shredded, or similarly destroyed. Non-confidential records may be recycled. If there is any outstanding litigation or audit claim begun on records prior to termination of retention, the records will be retained until resolution of litigation or audit claim.

Notwithstanding the above provisions, Contractor shall comply with and remain subject to the provisions of Oregon Public Records laws and will retain all records as required by Oregon law to the extent that such retention periods may be longer than those described above.

- (B) At any time during normal business hours and as often as WICCO shall deem necessary, the Contractor shall make available for examination all its records relating to all matters covered by this contract. WICCO, the Oregon State Workforce Investment Administration, The U.S. Department of Labor, the Comptroller General of the United States, their duly authorized representatives, or representatives of other governmental funding sources contributing through WICCO to activities under this contract shall have the authority to audit, examine, and make excerpts or transcripts from any books, documents, papers, records, files, forms, or other documents of the Contractor which are necessary to permit tracing of participant activity and funds to a level of expenditure adequate to insure that the funds have not been spent unlawfully, and to determine compliance with all applicable rules and regulations, and the provisions of this contract including the proper allocation of costs to this contract.
- (C) The Contractor shall provide to WICCO upon request, sufficient staff time necessary to aid in the performance of contract related (a) project research, (b) project evaluation, (c) project monitoring, and (d) completion of project fiscal review and audits.

7. Contracting

Contractor shall not assign or subcontract in whole or in part any contractual duties unless the Subcontractor agrees to indemnify WICCO and the Clackamas County Board of Commissioners (BCC) in accordance with the terms of paragraph 5, above and:

- (A) Section B-Project Description provides for contracting, or
- (B) WICCO has provided advance written approval of subcontracting.

8. Termination Clauses

- (A) Termination for Cause
WICCO retains the right upon written notice of default to suspend funds and activities under this contract and to terminate this contract in whole or in part for cause if Contractor fails to perform in a timely and proper manner its obligations, fails to make sufficient progress towards its objectives, or violates any of the covenants, agreements, or stipulations of this contract, or fails to meet performance standard as outlined in Section B-Project Description of this contract.

Any such termination of this contract shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

- (B) Other Terminations

Either party to this contract may elect to terminate the contract without cause upon providing written notice of intent to terminate to the other party thirty (30) calendar days prior to the date of such termination.

WICCO may terminate this contract effective upon written notice to the Contractor, or at such later date as may be established by WICCO, under any of the following conditions:

- (i) If WICCO's funding from federal, state, or other sources is not obtained and/or sustained at levels sufficient to allow for purchase of services as specified herein, then this contract may be terminated or modified to accommodate a reduction in funds. All allocable and allowable costs incurred by the Contractor under the terms of this contract shall be reimbursed up to and including the date of notice provided for herein.
- (ii) If federal and state regulations or guidelines are modified, changed, or interpreted in such a way that services are no longer allowable or appropriate for purchase under this contract or WICCO is no longer eligible for the funding proposed for payment as authorized by this contract.
- (iii) If any license or certificate required by law or regulation to be held by the Contractor to provide the services required by this contract is for any reason denied, revoked, or not renewed.

9. Modifications

- (A) It is a condition for receipt of funding under the terms of this contract that the Contractor agrees to accept unilateral modifications to this agreement whenever there has been a change in any Federal statute, rule, regulation, order, or other relevant authority under which this document is written.
- (B) Contractor may request a modification to this contract, which shall be subject to the approval of WICCO. All requested Contract Modifications must be presented in writing to WICCO no later than fifteen (15) calendar days prior to the beginning of the affected quarter. All Contract Modifications shall be within the sole discretion of WICCO.
- (C) Contractor must receive prior written approval from WICCO for a Contract Modification prior to initiating changes in program design and/or program objectives.
- (D) WICCO may issue Contract Modifications, including unilateral Contract Modifications, under the following circumstances:
 - (i) To incorporate administrative changes into the contract;
 - (ii) When authorized to do so by federal or state law, rule, regulation, or terms of this contract;
 - (iii) When there has been a change in any federal or state statute, rule, regulation, order, or other relevant authority;
 - (iv) As necessary to implement policy.
- (E) Contract Modifications shall not become a part of this contract until they are signed and executed by WICCO. Nothing in this section shall be construed to allow expenditures under this contract to exceed the total dollar amount authorized by this contract. Contract Modifications will follow rules and procedures established by WICCO to comply with U.S. Department of Labor requirements.

(F) Contractor assures that any and all subcontracts or agreements entered into as a result of this contract shall contain the limitation regarding unilateral modification as set forth in paragraph 9(A), above.

10. **Non-discrimination and Accessibility** PL 105-220 Sec. 188; CFR Part 33 & 37; ORS Ch. 659

Contractor will comply with all Federal, state and local laws, regulations, executive orders and ordinances regarding nondiscrimination and equal opportunity provisions applicable to work under this contract. Contractor expressly agrees to comply with the Equal Employment Opportunity provisions in Executive Order (E.O.) 11246, as amended by E.O. 11375 and supplemented by the requirements of 41 CFR Part 60. Contractor assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the Workforce Investment Act of 1998 (WIA), including the Nontraditional Employment for Women Act of 1991; Title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; Title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR, Part 33 & 37. The United States has the right to seek judicial enforcement of this assurance. Contractor will not discriminate against, nor deny employment or services to any person on the grounds of race, creed, color, religion, sex, national origin, marital status, expunged juvenile record, age (except as provided by WIA regulations), disability, citizenship, or political affiliation or belief.

Additionally, Contractor shall comply with the accessibility provisions of Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act.

11. **Collective Bargaining Agreements**

Contractor certifies that this contract does not violate any collective bargaining agreements to which it is a party.

12. **Reference Documents**

WICCO will provide, within (30) thirty days following execution of this contract, copies of WIA laws, regulations, and other WIA issuances referenced in this document.

13. **Certificates of Insurance:**

As evidence of the insurance coverages required by this contract, Contractor shall furnish a certificate of insurance to WICCO. Any certificate of insurance required under this contract shall specify parties who are Additional Insureds and must include a provision requiring notice to WICCO in the event of cancellation. Insurance coverages required under this contract shall be obtained from insurance companies authorized to do business in the State of Oregon. If Contractor is self-insured under the laws of the State of Oregon, Contractor shall provide appropriate declarations of coverage in lieu of the certificates of insurance described above.

Contractor shall not cancel, materially change, or not renew insurance coverages or self-insurance affecting this contract. Contractor shall notify WICCO, in writing, of any material reduction or exhaustion of aggregate limits. Should any policy be canceled before final payment by WICCO to the Contractor, and should Contractor fail to immediately procure other insurance as specified, WICCO reserves the right to procure such insurance and to deduct the cost thereof from any sum due Contractor under this contract. Failure to maintain the insurance coverages or self-insurance required herein, may result in termination of the contract.

Contractor shall not commence any work until Contractor obtains, at Contractor's own expense, all required insurance as specified below. In lieu of such insurance Contractor may remain a self-insured entity in a manner consistent with Oregon law. Such insurance or self-insurance must have the approval of WICCO as to limits, form, and amount. If Contractor is not self-insured, Contractor is required to obtain or maintain for the full period of the contract are as follows:

- (A) Commercial General Liability insurance including contractual liability coverage with limits no less than \$1,000,000 combined single limit;
- (B) Automobile Liability Insurance, comprehensive form, with limits not less than \$500,000 combined single limit when using motor vehicles in performance of actions authorized under this contract;
- (C) Worker's compensation coverage consistent with the laws of the State of Oregon;
- (D) A fidelity or surety bond shall be purchased by the Contractor at Contractor's own expense in an amount to exceed the total amount of cash on hand at any time provided under this contract. The bond shall cover all persons who handle funds provided under this contract and shall extend beyond the contract termination dates to the contract close-out date.
- (E) Additional Insureds Clause. The liability insurance coverages required for the performance of this contract shall be endorsed to name Workforce Investment Council of Clackamas County AND Clackamas County AND the Oregon Department of Community Colleges & Workforce Development, as additional insureds with respect to the activities performed under this contract.

Nothing contained in these insurance requirements is to be construed as limiting the extent of the Contractor's responsibility for payment of damages resulting from Contractor's operation under this contract.

14. **Workers' Compensation** ORS 656.017

The Contractor and its subcontractors, if any, are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers. The Contractor is also an independent contractor for purposes of the Oregon Workers' Compensation Law and is solely liable for Workers' Compensation coverage under this contract.

Unless specified elsewhere, when Contractor places or employs participants in subsidized jobs the participants shall be provided with workers' compensation coverage, benefits, and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

15. **Tax Laws, MBE/WBE** ORS 279A.110 and Chapter 305.385

By execution of this contract, Contractor certifies under penalty of perjury that:

- (A) To the best of Contractor's knowledge, Contractor is not in violation of any tax laws described in ORS 305.380(4); and
- (B) Contractor has not discriminated against minority, women, or small business enterprises in obtaining any required contracts.

16. **Drug Free Workplace** (E.O. 12549; Sec. 5151-5160 Public Law 100-690, Title V, Subpart D; 41 U.S.C. 701 *et seq.*) and (29 CFR 98.600).

Contractor certifies that it has adopted and instituted a policy to insure a drug-free workplace in accordance with local, state and federal laws, rules, and regulations.

17. **Responsibility for Taxes, Unemployment Insurance, Workers' Compensation Coverage**
ORS 30.265, ORS Chapters 279A, 279 B, and 279C

The service or services to be rendered under this contract are those of an independent contractor who is not an officer, employee, or agent (as those terms are used in ORS 30.265) of WICCO or of Clackamas County. Contractor is solely liable for any workers' compensation coverage, social security, unemployment insurance, retirement payments, and federal or state taxes due as a result of payments under this contract. Any subcontractor hired by Contractor shall be similarly responsible.

18. **Conflict of Interest** (ORS Chapter 244) and (29 CFR 95.42 and 29 CFR 97.36(b)(3))

Contractor, its officers, employees or agents, shall avoid all activities, which constitute an improper conflict of interest under local, state or federal laws, rules, or regulations.

19. **Certification Regarding Lobbying** 31 U.S.C. Sec. 1352

Contractor certifies that no Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions (see Section F of this contract).

Contractor shall require that the language of this Certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

20. **Publicity and Public Information**

Whenever written, magnetic media, electronic, or verbal information related to the services provided pursuant to this contract is distributed to the media or directly to the general public, another agency or governmental audience, whether such information is solicited or unsolicited, the Contractor shall acknowledge and name the Workforce Investment Council of Clackamas County and the Awarding Agency as providing funding for the services provided through this contract.

All advertisements or recruitment materials must contain the following language: "An equal opportunity employer/program" and "auxiliary aids and services are available upon request to individuals with disabilities" appear on each work product in both English and Spanish.

21. Billings and Payments to Contractor

WICCO shall reimburse the Contractor, upon submittal and approval by WICCO, of a written invoice. Contractor shall base all costs claimed on allocable, allowable, and reasonable expenses incurred pursuant to this contract as determined under local, state, and federal laws, including applicable Office of Management and Budget Circulars. Payments will be made within thirty (30) calendar days following receipt of written invoice on forms and with backup documentation as listed in Section C. The invoice format will be provided by WICCO.

At the discretion of WICCO, payments may be suspended, withheld, or disallowed if participant tracking documents, performance reports, or financial reports (including billings and matching share documents) specified in Sections B, C, and D of this contract are not submitted on the proper forms within the agreed upon time frames.

22. Audits

Unless otherwise directed by WICCO, Contractor shall arrange for the performance of a financial and compliance audit of funds received under this contract in accordance with the Office of Management & Budget Circular A-133 (and the Single Audit Act of 1984, P.L. 98-502, and OMB Circular No. A-128, "Audit Requirements for State and Local Governments,)", 50 Fed. Reg. 19114.

Contractor shall submit the report of such audit to WICCO no later than thirty (30) calendar days after receipt of the report or within one hundred twenty (120) calendar days following the close of the Contractor's fiscal year, whichever is sooner.

23. Equipment Purchase and Tracking

All purchases must comply with the applicable OMB Circulars, Uniform Administrative Requirements, and WICCO policies. Equipment purchases with an acquisition cost of \$5,000 or more per unit require prior approval from WICCO and Awarding Agency.

Unless otherwise specified, ownership and title of all non-expendable personal property and equipment purchased with funds provided under this contract rests with WICCO and is vested in the U.S. Department of Labor and/or State of Oregon. WICCO may take possession of all such equipment and property at any time during or upon termination of this contract.

Contractor shall maintain a current inventory of all WIA property in its custody with an individual purchase price of \$5000 or more, and shall implement adequate maintenance procedures to keep such property in good condition. Further, Contractor shall conduct an annual inventory of equipment and properties purchased with contracted funds and submit a list of same to WICCO with the final invoice. All such property purchased under this contract shall be returned to WICCO within thirty (30) days after the contract has terminated, unless otherwise authorized by WICCO.

24. Patent and Copyrights

All patent, copyrights, and other intellectual property pertaining to products produced with funds under this contract shall be the property of the Department of Labor, the State of Oregon, or WICCO as required by local, state, and federal laws, rules, or regulations.

25. Corrective Action

All activities conducted under this contract will be monitored by WICCO. In addition, the Contractor shall develop and maintain a mechanism for the continuous monitoring of all activities conducted pursuant to this contract.

WICCO may issue a Notice of Corrective Action for any deviations from the contract provisions or the planned performance in Section B. Within fifteen (15) calendar days of receipt of the Notice of Corrective Action, Contractor shall respond by submitting to WICCO a completed written Corrective Action Plan. WICCO will determine the appropriateness of the Contractor's Corrective Action Plan and notify the Contractor in writing within fourteen (14) calendar days if the plan is not satisfactory. Thereafter, WICCO, at its own option and within its own reasonable discretion, may terminate the contract, establish a Corrective Action Plan on its own accord, or follow the procedures set forth in Section B regarding performance expectations.

WICCO may terminate the contract, in whole or in part, if the Contractor fails to respond to the Notice of Corrective Action within fifteen (15) calendar days after receipt.

26. Failure to Enforce

Failure on the part of WICCO to enforce a provision of the contract shall not constitute a waiver of WICCO's rights to enforce such provision in the future or any other provision of this contract.

27. Program Income

In the event the program generates any program income, Contractor shall report to WICCO, the program income as a separate line item, by cost category, on the month following accrual. Program income is defined as "income received by the recipient or sub recipient directly generated by a grant or sub grant supported activity, or earned only as a result of the grant or sub grant". Such income is to be applied against the costs of the project.

28. Implementation of Workforce Investment Act. (Public Law 105-220)

This contract, its Exhibits, Attachments, Endorsements, Changes, or References incorporated is authorized under the federal Workforce Investment Act of 1998 (Public Law 105-220). The Contractor understands and agrees that modifications to this agreement will be necessary throughout the contract period as federal, state or local laws, rules, regulations or local ordinances necessitate change under this implementation. The Contractor is notified that such changes shall be bilaterally agreed upon or unilateral, as necessary pursuant to Section 9 above.

29. Notices

All contract-related notices shall be in writing and delivered by email, personal delivery, facsimile, or mailing postage prepaid to the address in this contract or other email, facsimile number or address either party may indicate pursuant to this section. Any notice given by email is effective upon the sender's receipt of confirmation generated by the recipient's email system. Any notice given by personal delivery is effective when actually delivered. Any notice delivered by facsimile is effective when a transmission receipt is generated if during recipient's normal business hours, or on the next business day, if outside recipient's normal business hours. Any notice mailed is effective three (3) days after mailing.

30. **Veteran's Priority Provisions** PL 107-288 Sec. 188; 20 CFR Part 1010, TEGL No. 10-09

The Jobs for Veterans Act requires priority of service to veterans and spouses of certain veterans for the receipt of employment, training, and placement services in any job training program directly funded, in whole or in part, by DOL. In circumstances where a choice must be made between two qualified candidates for a service, one of whom is a veteran or eligible spouse, the veterans priority of service provisions require that the veteran or eligible spouse be first provided that service. To obtain priority of service, a veteran or spouse must meet the program's eligibility requirements. Contractor agrees to comply with DOL and ETA guidance on implementing priority of service for veterans and eligible spouses.

**WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY CONTRACT
SECTION B
PROJECT DESCRIPTION**

1. Executive Summary

This contract is between the Workforce Investment Council of Clackamas County and Community Solutions for Clackamas County (CSCC) and is funded with Title I of the Workforce Investment Act of 1998 (WIA) funds and other discretionary grants. This contract calls for the delivery of workforce development services to adults and dislocated workers who live and/or work in Clackamas County in order to help them find jobs, keep jobs and advance in jobs, with a special priority of service provided to veterans and eligible spouses.

2. Relationship to the Workforce Investment Council of Clackamas County's Local Strategic Plan and Local Strategic Priorities

The Local Strategic Plan, which is aligned to the Oregon's Workforce Investment Board's Strategic Plan, outlines priorities for both adult and dislocated worker services for both rural and urban populations. The services in this contract will support the following 2013 – 2015 Local Strategic Plan priorities:

• **Sector Strategies**

This approach to working with employers focuses on analyzing and identifying strategies to meet the needs of employers and support job seekers in obtaining jobs in specific, cross regional, growing industry sectors (including manufacturing and health care). This work will include strong partnership with neighboring workforce regions through the Columbia Willamette Workforce Collaborative.

• **Certified Work Ready Communities**

A community is identified as Certified Work Ready when a predetermined number of individuals obtain a National Career Readiness Certificate (NCRC) and employers prefer it in job postings. In Region 15 this involves reaching specific goals outlined in Section 5, National Career Readiness Certificate.

• **System Innovation**

Three primary system innovation focuses were identified by the Region 15's Local Workforce Investment Board.

- Assessment - Identify current skill levels of job seekers and training participants through informal interviews, career advisement, occupation and skills explorers, and foundational skills review.
- Career readiness and preparation - Connect participants to career exploration, pathways and certificate programs.
- Job placement via sector engagement - Place participants with the skills and qualifications to meet the needs of employers in the identified sectors through job development, on the job training, and work experiences.

The services in this contract will also support the following 2012-2014 local strategic priorities also identified by the Board:

Create opportunities for jobs and apprenticeship

- Promote and invest in skill development solutions to fill skill gaps
- Encourage business mentoring in schools
- Maintain partnerships with labor
- Actively participate in attracting, retaining and growing businesses
- Promote and support work-based experiences

Train and/or place jobseekers in high demand occupations

- Implement and coordinate best practices for skill identification, job seeking and placement
- Maintain alignment with priority sectors identified by county, region and state
- Facilitate career readiness, preparation and career pathways
- Implement best practices for skill identification and development

Attract resources to the county and region

- Share information and promote communication flow among partners
- Diversify funding
- Advocate at the state and federal level for workforce investment funding
- Participate in area economic development and chamber of commerce organizations

Cultivate and prioritize key industries

- Align with area economic development organizations
- Review industry data on a regular basis to inform decisions
- Connect with and convene industry groups regularly
- Actively participate in broad regional collaboration to address industry workforce needs

3. Worksource Clackamas Annex

The Workforce Investment Council serving Clackamas County, along with other funding partners, expect that through this contract CSCC will manage and oversee the WorkSource Clackamas Annex (WSC Annex). Through braided funding, the WSC Annex targets job seekers who face challenges to finding employment and is also open to the public. Job seekers who utilize the WorkSource Clackamas services through the WSC Annex must complete the WorkSource Oregon Welcome process. Staff that work directly with employers are expected to represent the funding partners and WorkSource Clackamas. It is expected that Business Services staff focus on specific sectors and work closely with other workforce staff in the region to ensure non-duplication of services to employers.

4. WIA Formula Funds Program Overview

CSCC will provide career development, training and employment services for Clackamas County residents living with a mental illness, criminal backgrounds, and/or who are experiencing long-term (18 months or longer) unemployment. The work under this contract will help individuals who have not typically accessed the broader WorkSource system to be able to enter and succeed in work. This project provides the services and supports that those individuals need to access WIA services and to enter and maintain good jobs.

This plan promotes and supports skill development of the local workforce through the local integrated model of service provision provided at the WorkSource Clackamas Annex, 104 11th Street, Oregon City, OR. At this location, under this integrated model, customers have access to skill development services throughout the week, with the exception of holidays. The Oregon Workforce Investment Board has adopted a policy that all Oregonians are potentially subject to job loss in today's economy, and therefore, Oregonians cannot be considered self-sufficient. This policy, which the Workforce Investment Council of Clackamas County adopts, allows all job seekers to be registered into the program, regardless of employment status. This integrated model is staffed locally by Oregon Employment Department (funded by DHS) and CSCC working in cross functional teams.

The integrated model is built on the following components:

- Using WorkSource Oregon's Management Information System customer registration process to register all WorkSource Clackamas customers into a performance pool.
- Skill development to match customer skills with self-sufficiency needs, industry needs, job profiles and a skill development/training opportunity.
- The enhancement of the Business and Employment Services team to provide the welcome/skills development teams with a better understanding of the needs of industry and reach into the job seeker pool to make quality referrals to companies.

CSCC will be responsible for the following tasks relative to the Integrated Service Delivery Model:

- Outreach and Recruitment: CSCC will provide outreach to recruit participants. New participants could also come as referrals from WorkSource Clackamas staff or from other CSCC programs.
- Customer Registration and Initial Skills Review: CSCC staff will assist with the initial eligibility determination through the State's WorkSource Oregon's Management Information System (WOMIS). CSCC staff will work as members of the Welcome Team to support participants in completing the debrief process which includes customer registration and completion of iMatchSkills registration at the WorkSource Clackamas Annex. CSCC staff will meet with the participant upon completion to discuss next steps to begin the development of an employment and training plan.
- Individual Employment and Training Plan: Ongoing WIA eligibility is the responsibility of CSCC. Upon completion of the customer registration, CSCC will work with participants to develop an employment and training plan that takes into consideration the participant's goals, their current skill level and aptitude, and a plan for accomplishing their goals that will lead to employment.
- Individualized Workforce Preparation and Job Search: Based on the Individual Employment and Training plan, individuals may enter job skills training if needed to becoming employment ready. CSCC will provide support to ensure participants are prepared to enter the labor market.
- Employment and Employment Retention Services: Contractor will provide job search and placement services. Once a participant becomes employed, the contractor will keep in contact with the new employee to ensure job retention and advancement gains are attained and entered into the data management system. CSCC staff working with businesses will share information with partners to reduce duplication of service.

CSCC is expected to actively participate in WorkSource Clackamas Leadership Team meetings, Clackamas Menu of Resources and Services team meetings, service provider meetings and WorkSource Clackamas partner meetings.

CSCC WIA program policies that are more restrictive than the Workforce Investment Council of Clackamas County's policies must come to the Workforce Investment Board via the Workforce Investment Council of Clackamas County Program Manager for review and approval.

Additional service design elements are as follows:

1. The Workforce Investment Act (WIA) includes a provision for adult and dislocated worker participants to receive training services from providers and programs that have met specific standards and expectations in order to be on the State Eligible Training Provider List.

Occupations considered "in-demand" or with significant annual openings or vacancies will be the priority for Individual Training Account (ITA) funding. CSCC will use the Workforce Investment Council of Clackamas County's ITA Strategic Occupation List which lists

occupations that can be funded with ITAs. Occupational training programs and training providers funded with ITAs must be on the Statewide Eligible Training Provider List. Exceptions to the ETPL or to the Strategic Occupation List must be brought before the Workforce Investment Council of Clackamas County Program Manager for review and consideration prior to funding.

CSCC will track the number of ITAs for each occupation and will provide the Workforce Investment Council of Clackamas County with a report when/if requested which lists the number of ITAs for each occupation that has been funded. No more than 10% of ITAs can be funded for any one occupation without bringing to the Workforce Investment Council of Clackamas County Program Manager for review and consideration prior to funding.

2. Support Services

WIA includes provisions for participants to receive supportive services payments for the purpose of addressing barriers to employment and training. These services are provided when they are not available through other agencies and are necessary for the individual to participate in workforce activities.

These services may not be accessed until a customer has been registered. Depending on results of the assessment and the individual employment plan developed by the case manager/advisor, support services will be approved based on reasonable and allowable costs, individual needs, and the availability of funds. Contractor shall adhere to the Workforce Investment Council of Clackamas County support services policy.

3. Job Search Workshops:

At the WorkSource Clackamas Annex, CSCC staff will design, market and deliver dynamic, engaging, fast-paced and effective job search and employment retention and advancement workshops to enrolled WIA participants with a goal of instilling in attendees skills, hope and motivation resulting in the acquisition of a sustainable job. Half to full day workshops will cover job search, retention and advancement topics such as applications and resumes, networking, interviewing techniques, and the skills needed to succeed at a job. At least once per month, CSCC will work with WorkSource Clackamas partners to host the Employer Spotlight, featuring local employers who will share valuable information with job seekers.

CSCC will work closely with the Workforce Investment Council of Clackamas County regarding the design and scheduling of workshops and Employer Spotlight. CSCC will also work with the existing Clackamas Menu of Resource and Services (CMRS) advisory team and the Menu of Resources and Services coordinator to ensure the workshops being delivered are meeting the demands of customers.

CSCC will deliver 15 hrs of workshops per week and one-2 hour Employer Spotlight session per month. Employers for Employer Spotlights will be secured a minimum of 3 weeks prior to each Spotlight, and the Spotlight promoted a minimum of 2½ weeks prior to each Spotlight. Employer Spotlight-specific marketing will include lobby Power Point, fliers, email promotion and other methods. Content and schedule will be developed through consultation between the Workforce Investment Council of Clackamas County and CSCC, with final approval by the Workforce Investment Council of Clackamas County. Additionally, CSCC will work with WorkSource Clackamas to develop and promote Employer Spotlights to be held at WorkSource Clackamas throughout the year.

Workshops, including participant materials, and travel expenses are included in this contract. CSCC will use the iTRAC management information system for tracking participant attendance in workshops.

CSCC will evaluate the satisfaction of attendees at the end of every workshop to help ensure quality. All original evaluations will be provided to the Workforce Investment Council of Clackamas County, as well as a monthly summary of evaluation scores. CSCC will work with the Workforce Investment Council of Clackamas County regarding the design of this evaluation form. It is expected that the design of these workshops will result in increased job placements for WIA participants.

CSCC will be responsible for marketing workshops and events, in coordination with WorkSource Clackamas and the Workforce Investment Council of Clackamas County, to ensure there is an average of 7 attendees per workshop, including Employer Spotlight. If attendance of any workshop falls below the expected average, CSCC, CMRS and the Workforce Investment Council of Clackamas County will discuss possible solutions. The Workforce Investment Council of Clackamas County will make the ultimate decision of workshop design and delivery.

CSCC must notify the Workforce Investment Council of Clackamas County's Program Manager prior to cancellation of any workshop. CSCC must also notify the Workforce Investment Council of Clackamas County of any changes to the workshop schedule, workshop curriculum, or trainer.

The Workforce Investment Council of Clackamas County's Program Manager will monitor, in person, CSCC workshops at least annually and will meet with the CSCC Program Manager to review the Workforce Investment Council of Clackamas County's completed observation form. The Workforce Investment Council of Clackamas County's Program Manager may require curriculum change or removal and replacement of workshops. In the event the workshop trainer receives low overall ratings, the CSCC Program Manager will be responsible for addressing and remedying the issue.

CSCC will work with the Oregon Employment Department to coordinate and promote the workshops, events and programs at the WorkSource Clackamas Annex.

Workshop Performance Outcomes for Program Year 2013

The expectation for participants served is that they find employment, keep employment and advance in employment in order to become self-sufficient. The workshops designed are expected to meet the needs of the WIA Adult and Dislocated Workers in Region 15 and therefore are expected to be filled to capacity on an ongoing basis.

Performance Measure	Negotiated Level
Participant evaluations rated outstanding*	90%

* Outstanding is defined as 80-100% on Workshop Evaluation forms

If performance falls below 80% of the negotiated level after 6 months, the Workforce Investment Council of Clackamas County will take the following actions with the Contractor:

- Report to the Workforce Investment Council of Clackamas County Board that performance has not been achieved.

- Meet with the Contractor to assess why the performance measure was not met, and create a written performance improvement plan.

If performance remains below 80% in the same performance standard after a year, the Workforce Investment Council of Clackamas County will take the following actions with the Contractor:

- Report to the Workforce Investment Council of Clackamas County Board that performance has not been achieved.
- Follow the considerations and recommendations of the Workforce Investment Council of Clackamas County Board of one of the following options:
 - Meet with the Contractor to assess why the performance measure was not met again and create a written corrective action plan.
 - Discontinue use of the Contractor due to inability to achieve required performance levels.

4. Participant Case Management File

CSCC will use the I-Trac and iMatchSkills management information systems for participant tracking. CSCC must maintain an electronic file for each participant which will detail the service history. Additionally, information must be maintained in such detail so as to support the expenditure of funds. All users will enter data in to the I-Trac system within 5 business days of the activity.

5. Performance Outcomes for Program Year 2014

At any given time CSCC during a quarter will serve 65 participants living with a mental illness, those with a criminal background, and/or are long-term unemployed in the Adult and Dislocated Worker WIA program. Individuals are also expected to have secondary barriers such as addiction histories.

Performance Expectations

Performance Measure	Level
Entered Employment Rate	57%
Employment Retention Rate	70%
Average Earnings	\$9,872

If performance falls below the negotiated level after the first year, the Workforce Investment Council of Clackamas County will take the following actions with the Contractor:

- When final performance numbers have been issued, report to the Workforce Investment Council of Clackamas County Board which performance measure(s) have been missed/achieved.
- Meet with the Contractor to assess why the performance measure(s) were not met and create a written performance improvement plan.

If performance remains below the negotiated level for a second year in a row, the Workforce Investment Council of Clackamas County will take the following actions with the Contractor:

- When final numbers have been issued, report to the Workforce Investment Council of Clackamas County Board that a performance measure(s) has been missed two years in a row.
- Review historical data and follow the considerations and recommendations of the Workforce Investment Council of Clackamas County Board from the following options:

- Review historical data and make a determination if course corrections are adequate and grant additional year of the contract under a corrective action plan.
- Require other appropriate measures designed to improve the performance of the Contractor.
- Discontinue use of the Contractor due to inability to achieve required performance levels.

5. Certified Work Ready Communities

Oregon's National Career Readiness Certificate (NCRC) is nationally recognized and transferrable across the country and industries and documents an individual's skill level in three areas: Applied Mathematics, Reading for Information, and Locating Information. A soft skills component will be incorporated into the product at a later date by the State.

In an effort to meet statewide expectations, CSCC staff will promote and encourage participants to take the tests when appropriate. CSCC will proctor group internet-based and paper-pencil testing at special requests as directed by Workforce Investment Council staff. Proctors will be trained to ACT standards and follow all guidelines set by Region 15 and CCWD. NCRC testing days and times may change. Proctors will check participant's photo ID and WorkSource job seeker ID number which confirms the participant has been through the WOMIS registration system. CSCC will be required to enter testing completions into the I-Trac data management system and iMatchSkills. CSCC will assure successful completers receive their certificates and will keep a record of certificates distributed. CSCC will provide technical assistance to Oregon Employment Department and other organizations proctors when needed.

CSCC will provide total number of participants earning a National Career Readiness Certificate from the WorkSource Clackamas testing monthly. CSCC will also share strategies and activities used to reach the CWRC goals.

CSCC will also educate employers about the NCRC, how it can be used to screen for potential employees and ask employers to sign Letters of Support to prefer the NCRC in appropriate job listings.

CSCC will help the region become a Certified Work Ready Community by working towards the following goals from April 2014 to June of 2015::

- 2,880 Certificates
- 302 Letters of Support from employers

Staff will forward all signed letters to the Workforce Investment Council of Clackamas County and document which employers have signed letters in the company's iMatchSkills profile.

CSCC will submit one job seeker and one employer success story every quarter, using the Guide to Creating Certified Work Ready Community and NCRC Success Stories. At least one success story a year must be a video. The video can be done with a job seeker or employer who signed a Letter of Support to prefer the NCRC, and must follow the element requirements below:

- Data on the percent decrease in turnover
- Data on the percent savings/cost reduction in the hiring process
- Data on the percent training costs were reduced
- Data on the overall contribution to bottom-line profitability

5. Solutions to Work (July 1, 2012 – December 31, 2014)

People released from incarceration within the corrections system have fundamental unmet needs that still exist with job placement, mental health care, residential treatment, accessible and affordable transportation and child care. Community Solutions for Clackamas County is the lead service provider for the *Solutions to Work* program funded by Department of Labor (DOL) Serving Adult Ex-offenders through Strategies Targeted to Characteristics Common to Female Ex-Offenders Grant. *Solutions to Work* will serve a minimum of 250 individuals, with an emphasis on females, with multiple barriers leaving incarceration and returning to the Clackamas County community, over a 30-month period, beginning July 1, 2012.

Program Description

Community Solutions for Clackamas County will engage in highly-individualized case management and job development, client centered empowerment and self development, education and training, and workforce development services. A 16-week long cohort model will support participant engagement and a sense of belonging, essential to achieving performance goals.

- CSCC will offer program recruitment opportunities
- CSCC will conduct an Empowerment and Soft Skills Workshop series, Job Club and support groups. Each will have a group mentoring component. CSCC will make individual referrals, as appropriate, to the identified community mentoring programs, resources and other service providers. The Empowerment workshop series will last approximately five days. The Empowerment workshops, available to all program participants, will include, but not limited to, training on financial literacy; counseling about their civil rights (including issues related to criminal records and employment), workplace accommodations, if necessary, and assistance applying for jobs and Federal benefits such as Pell Grants, Food Stamps and Medicaid.
- CSCC will utilize Career Mapping and Resource Planning, a highly successful WorkSource tool that can effectively guide case management and skill development through person-centered planning.
- Regular meetings will be held with community supervision officers to reinforce the program, provide attendance progress reports, and to discuss specific participants as-needed.
- CSCC through Solutions to Work will provide a full array of education interventions and/or supports for participants to secure their high school diploma and/or GED equivalent, academic skills to achieve success in the work world, credentials to qualify for in-demand industries and/or non-traditional occupations, and access to a degree in higher education.
- Each Solutions to Work participant will be expected to spend, depending on their individual needs and learning style, at least 20% of their time working towards a program that will get them closer to a GED or certificate when appropriate.
- CSCC will involve participants in this process of developing next steps, education and training objectives, and realistic career goals. Individualized Career Plans will be created based on each participant's long-term career goals. Opportunities available to participants of the program will be suggested and used if and when they reinforce the ICP's employment goal and identify next steps for participants with their input. Participant strategies can include: (1) Apprenticeships through Oregon Tradeswomen, Inc.; (2) Credit retrieval, (3) Career and Technical Education (CTE); (4) Two Year Vocational (Career and Technical Education) degrees; (5) One Year Certificates; (6) Less than one year certificates; (7) Career Pathway Certificates; (8) National Career Readiness Certificate; (9) On the Job Training; and (10) Cooperative Work Experience.

The ICP builds on information gathered in the assessment and Career Mapping process. Plans include (1) General work and education history; (2) Completed career exploration, and (3) Assessments (could include career exploration workshops, online assessments, discussions with participants); (4) Employment goal, along with the steps and services needed to achieve that goal; (5) Agencies that will provide resources (explored and exhausted), including cost and who will pay; and (6) Participant's responsibilities in carrying out the plan. The participant must fully support the ICP and be prepared for the next steps.

- CSCC will facilitate women's access to jobs and training in non-traditional occupations and sectors where women are under-represented..CSCC will work closely with the following in-demand industries for Clackamas County and the Portland Metro region.
 - Advanced Manufacturing-Metals and Machinery (welders, laborers and stock workers, assemblers).
 - Wholesale Trade (welders, sales reps, laborers and stock workers, shipping and logistics).
 - Nurseries and Greenhouses (landscape professionals, nursery grower, suppliers).
 - Wood Product Manufacturing (woodworkers/carpenters, laborers, stock workers, maintenance).
- Other demand industries include Health Care, Professional Business Services, Advanced Technology-High Tech, Manufacturing, and Trucking/Transportation and Distribution. Employment forecasts project thousands of positions to be hired in these industries.
- CSCC will be able to fund support services as indicated by the Workforce Investment Council of Clackamas County policy, when other resources have been explored or exhausted.

Eligibility

- Enrollment will include completed Welcome registration with WorkSource Oregon.
- While both men and women will be recruited for the program, the clear emphasis of messaging and recruitment will be female ex-offenders.
- CSCC will create outreach materials for *Solutions to Work*.
- CSCC will conduct the following recruiting efforts: in the jail weekly and in other correctional facilities when appropriate, contact community supervision officers (parole and probation), judges, service agencies (emphasis on those serving the eligibility traits listed below) and promote self-referral.
- CSCC will make sure eligible participants include:
 - (1) At least 18 years of age;
 - (2) Citizen of the U.S. or legal to work in the U.S.;
 - (3) Residing in Clackamas County;
 - (4) Convicted of a crime and sentenced to serve time in Clackamas County Jail or state facility, and who will be released within 90 days or has been released in the previous 180 days;
 - (5) Possess a government issued identification; and
 - (6) Have the ability to benefit from the services offered from the program;
 - (7) Be eligible and a have desire to work.

Individuals not appropriate for the program include those: (1) Refusing treatment, (2) Currently

experiencing significant crisis (a threat to themselves or others), and (3) Who have committed a sexual crime against another, except for prostitution.

Enrollment

- CSCC will use the Solutions to Work: Participant Enrollment Assessment tool , customized to capture all essential information needed to ensure the success of Solutions to Work that is reflected in the grant proposal. Every participant assessment should be completed and scored to determine risk factors necessary to enter the program. Case managers must narrate program eligibility based on the risk factors, scores, observation, and other pertinent information.
- CSCC will use the Disability Screening tool that identifies possible physical or mental impairments, learning and cognitive disabilities, and areas of struggle.
- CSCC will facilitate inmate access to services before release from incarceration, within the 90 days prior. CSCC case managers will conduct bi-weekly orientations and provide assessments every other week. One on one meetings are held to focus resource planning and supports that can be accessed after release. This early contact values the development of a trust relationship between the case manager and inmate.
- CSCC will perform a comprehensive assessment of each participant's strengths, skills, interests, aptitudes, and needs. An assessment tool developed by local WorkSource providers - *Career Mapping and Resource Planning* - will be used to guide development of career pathway options and the crafting of Individual Career Plans.
- CSCC will use online tools - the Oregon Career Information System (CIS) and other online tools (skill tests to indicate skill level in certain occupations). Paper-pencil assessments will also used to assist the development of realistic career goals.

Retention

- After job entry, CSCC will provide follow-up services for at least 3-4 months to ensure that participants keep employment. CSCC will support problem-solving with both the new employee and the employer that, without intervention, may result in an employee quitting or losing their job.
- For all appropriate participants, CSCC will identify advancement opportunities within industries and occupations. A skill enhancement plan will be developed with newly employed participants.
- CSCC will maintain regular contact with participants to ensure retention in employment and/or school. This could include assistance in addressing work-related or school-related problems; assistance in securing better paying jobs or career development; furthering education; referrals to peer support groups; mentoring; and tracking progress made by participants in employment and/or education after training. These activities should be consistent with the ICP.
- Frequent contact will be expected during the training period and within 2-3 weeks after becoming employed. CSCC can visit the job site at the request of the employer or participant. Scheduling will be individualized.
- A progress evaluation will be completed by CSCC coupled with the client's self evaluation, after the client has been in the program for 8 weeks. The purpose of the evaluation is to provide the

client with feedback about their progress and address any issues that could prevent the client from being successful in the workplace.

- CSCC will ensure positive participant outcomes and retention, bridging the time between being in the active program and the 3-4 month follow-up program.

The grant proposal Memorandum of Understanding describes all required partners and their responsibilities under this funded project. CSCC will actively work with the partners outlined in the MOU. Also, a number of additional partners have been secured to support the success of this project with a letter of support. CSCC will actively work with the partners who wrote letter of support.

Performance

The Department of Labor has set goals for each of the long-term performance measures. These goals are targets for Community Solutions for Clackamas County to strive toward and may be adjusted with additional data. The goals for each indicator are as follows:

- **Enrollment Rate:** defined as the number of participants enrolled in the program divided by the enrollment goal. The enrollment goal is based on the total grant award amount divided by \$6,000 (the upper limit of the expected cost-per-participant range of \$4,000 – 6,000). The calculated enrollment goal is **250 participants**. **The goal for this measure is 100%.**
- **Entered Employment Rate:** defined as of those who are not employed at the date of participation (enrollment) and who exit the program: the percentage of participants who are employed in the first quarter after the exit quarter. **The goal for this measure is 60%.**
- **Employment Retention Rate:** defined as of those who exit the program and are employed in the first quarter after the exit quarter: the percentage of participants who are employed in both the second and third quarters after the exit quarter. **The goal for this measure is 70%.**
- **Average Earnings:** defined as of those who exit the program and who were employed in the first, second, and third quarters after exit: the average total earnings for the second and third quarters after exit. **The goal for this measure is \$9360**, which works out to be **\$9/hour** if working full time and just under 200% of the poverty rate for a family of 1.
- **Recidivism Rate:** defined as the percentage of participants who were re-arrested for a new crime or re-incarcerated for revocation of the parole or probation order within one year of their release from prison. If a participant is re-arrested and subsequently released without being convicted of a new crime, they may be taken out of the recidivism rate. **The goal for this measure is 22% or below**, which is roughly half of the national recidivism rate of 44.1% one year post-release found in the Bureau of Justice Statistics report.
- **Industry-Recognized Certificate/Degree Rate:** This measure is two-fold and will focus not just on increasing the attainment of degrees and industry-recognized certificates but also increasing the number of participants who enter degree- and industry-recognized certificate-awarding programs:
 - The participation rate is defined as the percentage of enrolled participants in degree- or industry-recognized certificate-awarding programs. **The goal for this measure is 30%.**
 - The attainment rate is defined as the percentage of participants that have participated in degree- or certificate-awarding training who receive a degree or an industry-recognized certificate within three quarters after exit from the program. **The goal for this measure is 50% of those enrolled in degree awarding programs and 50% of those enrolled in certificate awarding programs.** This means that, of the subset of participants who enroll in degree- or certificate-awarding programs, it is expected that at least 50% of those that enroll in a degree-

awarding program will attain a secondary or post-secondary degree (such as a GED, high school diploma, or Associate's Degree) and at least 50% of those that enroll in vocational or occupational skills training that leads to industry-recognized certification will attain the certificate. **All degrees and industry-recognized certificates must be attained during the performance period of the grant.** Further guidance on what qualifies as an industry-recognized certificate can be found in Attachment B of TEG 17-05 (located at http://wdr.doleta.gov/directives/attach/TEGL17-05_AttachB.pdf).

Reporting

CSCC will submit a quarterly narrative style project and quantitative performance report on the 28th day after the end of each quarter, beginning July 1, 2013. The Final Project Report is due by January 31, 2015, unless otherwise directed by the Workforce Investment Council of Clackamas County.

11. Housing Works Grant (July 1, 2012 – October 31, 2015)

This Department of Labor (DOL) Workforce Innovation Fund Grant is to help 50 PHA housing residents gain the life and employment skills necessary to attain self-sufficiency.

Contractor will:

- Coordinate with county partners to ensure local implementation is consistent with program requirements and implementation across regions.
- Perform WorkSource Liaison duties as outlined in the WorkSource Liaison position description.
- Ensure the case manager performs duties as outlined in the case manager position description.
- Facilitate orientations as part of recruitment and selection activities.
- Ensure eligibility and enrollment before commencement of grant-funded services to participants.
- Engage participants in all program activities including interacting regularly with case managers, Oregon Pathways for Adult Basic Skills (if appropriate), Career Link courses, Occupational Skills Training, internships, On-the-Job Training, Workforce Coaching and job search activities. Training activities will be in accordance with targeted Housing Works industries.
- Work with the employers named in the MOU, the Regional Competitiveness Committee (of the Columbia-Willamette Regional Workforce Collaborative), WorkSource, and additional local employers to develop ongoing industry intelligence to inform training pathways, and to develop employment opportunities and work experiences for Housing Works participants.
- Ensure participant access to general WorkSource services supported by grant and leveraged dollars including WIA enrollment, job search workshops and individual assistance.
- Track program services, collect data, secure release of information agreements, and support evaluators in implementation of evaluation plan.
- Fully participate in the Housing Works County and Regional Alliances and coordinate with partners to adhere to grant goals and reporting guidelines.

- Complete and submit quarterly program narrative reports by the 20th of month following quarter's end (January, April, July and October).
- Set aside training resources through leveraged dollars, as outlined in the Workforce Innovation Fund grant proposal and budget narrative, to supplement the resources provided through the Workforce Innovation Fund grant. Ensure that the following WorkSource resources are reserved for the Housing Authority program participants enrolled in the Housing Works Project and available throughout the life of the grant:
 - Workforce Investment Act enrollment at WorkSource (all participants).
 - Workshops and one-on-one staff assisted services (all participants).
 - Internships (25), Occupational Skills Training programs/certifications (25), and/or On-the-Job Training (OJT) programs (8), as appropriate.
- Resource other project expenses through leveraged dollars as outlined in the Workforce Innovation Fund grant proposal/budget narrative, to supplement the resources provided through the Workforce Innovation Fund grant itself.

PERFORMANCE

<i>Contractor Performance Measures</i>	<i>Goal</i>
Participants who complete WIA and Housing Works Eligibility and begin project funded services	50/100%
Participants who earn industry-recognized credential	22/44%
Participants who complete internship and/or OJT	22/44%
Percent of participants that enter long-term basic skills instruction courses who complete successfully	75%
Participants who report that barriers to employment have been removed	33/65%
Of participants who enter program unemployed, the percent who enter employment	65%
Of participants who enter employment, the percent who are retained in 2 nd and 3 rd quarters that follow the quarter of employment start date	70%
Of participants who enter employment, the average six month earnings	\$12,000
Of participants employed at enrollment, the average increase in earnings	20+%
Average annual reduction in subsidy by households that retain employment because of an increase in income directly attributable to a participant's employment income and controlling for other factors.	\$3,250
Participants vocationally case managed who attain identified training and employment goals in the Career and Resource Plan.	75%

Average annual reduction in subsidy by households that retain employment because of an increase in income directly attributable to a participant's employment income and controlling for other factors.	\$3,250
Participants vocationally case managed who attain identified training and employment goals in the Career and Resource Plan.	75%

If performance falls below the negotiated level after the first year, the Workforce Investment Council of Clackamas County will take the following actions with the Contractor:

- When final performance numbers have been issued, report to the Workforce Investment Council of Clackamas County Board which performance measure(s) have been missed/achieved.
- Meet with the Contractor to assess why the performance measure(s) were not met and create a written performance improvement plan.

If performance remains below the negotiated level for a second year in a row, the Workforce Investment Council of Clackamas County will take the following actions with the Contractor:

- When final numbers have been issued, report to the the Workforce Investment Council of Clackamas County Board that a performance measure(s) has been missed two years in a row.
- Review historical data and follow the considerations and recommendations of the Workforce Investment Council of Clackamas County Board from the following options:
 - Review historical data and make a determination if course corrections are adequate and grant additional year of the contract under a corrective action plan.
 - Require other appropriate measures designed to improve the performance of the Contractor.
 - Discontinue use of the Contractor due to inability to achieve required performance levels.

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY CONTRACT
SECTION C
FISCAL PROVISIONS & COST REIMBURSEMENT BUDGET

1. The budget for this contract will be divided into three separate budgets:

- (A) Adult WIA Services.
- (B) Dislocated Worker WIA Services
- (C) Certified Work Ready Communities

2. Allocation of Funding

The allocation of funds under this contract shall initially be as follows:

Funding Stream	Amount
Adult WIA Services	\$109,600
Dislocated Worker WIA Services	\$121,400
Certified Work Ready Communities	<u>\$ 11,000</u>
Total:	\$242,000

Additional funding for Program Year 2014 will be incorporated into this contract via amendment.

Program Year 2013 Carry Forward funds will be incorporated into this contract via amendment.

3. Costs for Which Payment Shall be Made

Only reasonable, allocable and allowable costs paid out by the Contractor, which are based on benefits received associated with the activities and services delineated in Section B-Project Description shall be reimbursed to the Contractor.

4. Transfer of Funds

For the purpose of this contract, the Contractor may request to modify budgeted line item amounts within each WIA funding stream per paragraph 9 below to cover unanticipated over-expended line items.

Such movement of funds shall not exceed 15% of the funding stream's total annual budget and are to be approved in writing **and in advance** by WICCO. Written consent is defined as formal business correspondence submitted by Contractor and signed by the WICCO Executive Director or designee. Funder approval may be required.

Funds may only be moved between the WIA funding streams in paragraph 2 above via contract amendment as permitted by law.

5. Billings

Invoices shall be submitted monthly and should include the aggregate of accrued expenditures (cash disbursements plus accruals not yet paid) incurred for allowable costs. The Contractor shall bill WICCO on forms and in a format approved by WICCO within twenty (20) calendar days following the month in which expenses are incurred.

The following Informational Items are to be noted on the invoice but will not be reimbursed under this contract:

- (A) Estimates of incurred expenses for which invoices have not yet been received by the Contractor,
- (B) Program Income earned and expended,
- (C) Stand-In Costs (optional): allowable costs that were actually incurred for the benefit of the ETA-funded program and paid by a non-ETA fund source.

6. Invoices After Contract End

Upon completion of the Contract, Contractor shall submit a final invoice (marked FINAL), which will be the final accounting of all accrued and actual expenditures under this Contract. Duration of award: July 1, 2010 – June 30, 2012 with option for three annual renewals. All invoices must be received by WICCO within forty-five (45) days of discharge of this award. Any invoice received more than forty-five (45) days after said date will be considered null and void, and will not be processed for payment.

7. Expenditure Documentation

The Contractor shall retain original expense documentation, or a digital image of original expense documentation, including proof of payment or properly posted accrued liabilities. Documentation shall include canceled checks, invoices annotated with date paid, check number and initials, annotated receipts, payroll ledgers, and/or accounts payable ledgers. Documentation shall be annotated with a Project Budget line item reference. Documentation of costs which are allocable to more than one line item and/or which are only partially allocable to the Project Budget shall be annotated with amounts allocated to each source. Reimbursement requests shall be made only within the limits of the Project Budget line items.

8. Authorized Signature List

The Contractor will submit to WICCO a list of names and signatures of persons authorized to sign agreements, modifications and billings. As changes occur, the Contractor shall file changes with WICCO.

9. Leveraged Funds

The Contractor has committed to provide leveraged funds for Solutions to Work and Housing Works as set forth in project grant proposals. Leveraged funds must be tracked and reported periodically as required by WICCO.

Housing Works Leverage Requirements

- 1) Cost line items are restricted by individual line item budgets
- 2) Contractor shall meet or exceed at least 80% of each line item amount
- 3) Any additional leverage line item flexibility must be requested in writing and include sufficient documented justification for the change(s) based on program objectives. Approval from funder is required.

Contractor is required to contribute a total of \$175,351 in leverage by the completion of the grant period. The projected schedule for annual leverage contributions is detailed below:

Budget Period ending	Total Cumulative Leverage Required
June 30, 2014	\$ 94,689
June 30, 2015	\$157,816
October 31, 2105	\$175,351

Should Contractor fail to show progression towards meeting the milestone leverage amounts, WICCO may require Contractor to provide a written plan for meeting leverage requirements. Payment may be withheld until a satisfactory plan for meeting leverage requirements has been presented and approved by funder.

10. Project Budget (see Attachment 1 for details)
PY13-14

WIA Adult Funding Stream

Budget Line Item	Begin Bal	Change	Total
General Costs	18,900		18,900
Direct Participant Costs	90,700		90,700
Adult Total	109,600	0	109,600

WIA Dislocated Worker Funding Stream

Budget Line Item	Begin Bal	Change	Total
General Costs	19,900		19,900
Direct Participant Costs	101,500		101,500
Dislocated Worker Total	121,400	0	121,400

Work Ready Communities

Budget Line Item	Begin Bal	Change	Total
General Costs			0
Direct Participant Costs	11,000		11,000
Work Ready Communities Total	11,000	0	11,000

11. Additional Expenditure Restrictions

Consultant fees paid under this Contract shall be limited to \$585 per day

Salary and Bonus Limitations: In compliance with public Law 109-234 and section 111 of the Department of Labor Appropriation Act 2009 (Public Law 111-8), none of the funds appropriated under the heading "Employment and Training" that are available for expenditure on or after June 15, 2006, shall be used by Contractor to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II. The salary and bonus limitation does not apply to vendors providing goods and services as defined in OMB Circular A-133. Reference DOL TEGL 5-06 for further clarification.

Housing Works funds have the following restrictions for the entire project period.

- 1) Equipment or capital outlays may not be purchased with Housing Works funds.

- 2) Expenditures are
 - a. Restricted by individual line item budgets.
 - b. Over-expenditures of line items of up to 20% may be balanced by under-expenditures of other line items without a formal budget modification. Case management expenditures are excluded.
 - c. Case Management line item expenditures must meet or exceed budgeted amounts
- 3) All other changes to the budget require a formal budget modification and must be requested by the Contractor in writing and be approved by funder prior to Contractor expending funds outside of the budget line flexibility. Sufficient rigorous justification for the change(s) must be documented and be based on program requirements.

Certified Work Ready Communities Funds shall be used solely in a manner that complies with the regulations and cost principles referenced in grant GRNT0987 between the State of Oregon and WICCO.

**WICCO SERVICE PROVIDER CONTRACT
SECTION D
SPECIAL PROVISIONS**

1. Representations and Warranties

The Contractor represents and warrants to WICCO that (1) the Contractor has the power and authority to enter and perform this contract; (2) this contract, when executed and delivered, shall be a valid and binding obligation of the Contractor enforceable in accordance with its terms; (3) the work under this contract shall be performed accordance with the highest professional standards; (4) the Contractor shall, at all times during the term of this contract, be qualified, professionally competent, and duly licensed to perform the work.

2. Unused Funds

All funds provided under this contract, which are unused upon contract discharge, shall be de-obligated and returned to WICCO. Such funds are subject to redistribution or use at the discretion of WICCO. De-obligated funds may be returned to the Awarding Agency or WICCO, or redirected by WICCO as it deems necessary.

3. Memorandum of Understanding

The Memorandum of Understanding and Resource Sharing Agreement, which by this reference is hereby incorporated into and made part of this contract, states that the partners are committed to develop and implement a comprehensive, cooperative workforce development system with services to be delivered via WorkSource Clackamas.

**WICCO SERVICE PROVIDER CONTRACT
SECTION E
CERTIFICATION REGARDING DEBARMENT**

Certification Regarding
Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participant's responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ ATTACHED INSTRUCTIONS
WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION)

- (1) The prospective recipient of Federal assistance funds certifies, by submission of this document, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature

Date

Print Name and Title

(Instructions on following page)

INSTRUCTIONS FOR DEBARMENT CERTIFICATION

1. By signing and submitting this document, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred", "suspended", "Ineligible", "lower tier covered transaction", "participant", "person", "primary covered transaction", "principal", "proposal", and "voluntarily excluded", as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective recipient of Federal assistance funds agrees by submitting this document that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
6. The prospective recipient of Federal assistance funds further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required, to check the List of Parties Excluded from Procurement and Nonprocurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.

**WICCO SERVICE PROVIDER CONTRACT
SECTION F
CERTIFICATION REGARDING LOBBYING**

**Certification Regarding Lobbying
Lower Tier Covered Transactions**

This certification is required by the regulations implementing The Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 90, Section 319 of which amended Title 31, United States Code by adding a new section 1352, entitled "Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions." The regulations were published as Part III of the February 26, 1990 Federal Register (pages 6736-6756).

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the Federal grant, contract, loan, or cooperative agreement funding this contract, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards to all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature

Date

Print Name and Title

PY14-15 Funding

General & Administrative

Personnel (Admin & Fiscal staff)

Employment & Training Svcs Mgr - 0.07 FTE

Fringe - approx 50% of wages

Administrative - Other

Materials & Supplies

Operations (Rent)

Indirect Costs

Non-Personnel Subtotal

Total General & Admin Costs

Direct Participant Costs

Personnel (Intensive, Training, Retention staff)

Job Development Specialist - 1.0 FTE

Job Development Specialist - 0.50 FTE

Workshop Instructor - 0.50 FTE (temp)

Program Aide - 0.50 FTE

Fringe - approx 65% of wages

Personnel Subtotal

Participant

Intensive Services

Support Services

Training-ITAs

Training-OJT / Work Exp

Participant Subtotal

Total Direct

Total PY14-15 Budget:

WIA Adult Funds
\$ 109,600

\$ 3,000
\$ 1,500
\$ 4,500

\$ 4,800
\$ 9,600
-

\$ 14,400
\$ 18,900

\$ 24,000
\$ 12,600
\$ 10,400
\$ 5,000
\$ 34,300
\$ 86,300

-
\$ 2,000
-
\$ 2,400
\$ 4,400
\$ 90,700

Adult \$ 109,600

WIA Dislocated Worker Funds
\$ 121,400

\$ 3,000
\$ 1,500
\$ 4,500

\$ 5,000
\$ 10,400
-

\$ 15,400
\$ 19,900

\$ 27,300
\$ 13,000
\$ 11,000
\$ 6,000
\$ 38,000
\$ 95,300

-
\$ 2,200
-
\$ 4,000
\$ 6,200
\$ 101,500

D/W \$ 121,400

CWRC

\$ 11,000

-
-
-

-
-
-

-
\$ -

-
-
-
7,000
4,000
11,000

-
-
-
-
-
11,000

CWRC \$ 11,000

TOTALS

\$ 242,000

\$ 6,000
\$ 3,000
\$ 9,000

\$ 9,800
\$ 20,000
-

\$ 29,800

\$ 51,300
\$ 25,600
\$ 21,400
\$ 18,000
\$ 78,300
\$ 192,600

\$ 4,200
-
-
6,400
10,600

\$ 242,000

CSSC LEVERAGE SUMMARY

Admin Personnel - 3 staff @ 0.07 FTE each \$20,000.00
Admin Other - Materials and Supplies \$2,500.00
H3S Indirects \$5,000.00
TOTAL: \$27,500.00

Attachment #2 -Solutions to Work Specific Requirements

In performing its responsibilities under this contract, Contractor hereby certifies and assures that it will fully comply with the following regulations and cost principles, including any subsequent amendments:

Uniform Administrative Requirements:

29 CFR Part 97, for State/Local Governments and Indian Tribes; OR

29 CFR Part 95, for Institutions of Higher Education, Hospitals and other Non-Profit Organizations and Commercial Organizations.

Cost Principles:

2 CFR 225, for State/Local governments and Indian Tribes;

2 CFR 220, for Institutions of Higher Education; OR

2 CFR 230, for Non-Profit Organizations.

48 CFR Part 31

Other Requirements (As Applicable):

29 CFR Part 96 and 99, single Audit Act

29 CFR Part 93, Lobbying Certification

29 CFR Part 37, Nondiscrimination and Equal Opportunity Requirements

29 CFR Part 98, Debarment and Suspension; Drug Free Workplace

20 CFR Part 652 et al., workforce Investment Act

Wagner-Peyser Act

PART III

ASSURANCES/CERTIFICATIONS

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0400), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

(1) Has the legal authority to apply for Federal Assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

(2) Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

(3) Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

(4) Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

(5) Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

(6) Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255) as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

(7) Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real

Property Acquisition Policies Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

(8) Will comply, as applicable, with the provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

(9) Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. 276a to 276a-7), the Copeland Act (40 U.S.C. 276c and 18 U.S.C. 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), regarding labor standards for federally assisted construction subagreements.

(10) Will comply, if applicable, with Flood Insurance Purchase Requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.

(11) Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in flood plains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.); (f) conformity of Federal actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).

(12) Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 et seq.) related to protecting components or potential components of the National Wild and Scenic Rivers System.

(13) Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a.1 et seq.).

(14) Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

(15) Will comply with the Laboratory Animal Welfare Act of 1966 (P.L.) 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

(16) Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) which prohibits the use of lead based paint

in construction or rehabilitation of residence structures.

(17) Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organization."

(18) Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

*SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL (Use of grant funds certifies acceptance of these assurances)	*TITLE _____
*APPLICANT ORGANIZATION _____	*DATE SUBMITTED (Use of grant funds certifies acceptance of these assurances)

Lobbying Certification (29 CFR Part 93)

Instructions for Completion of SF-LLL, Disclosure of Lobbying Activities

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal Action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number, grant announcement number, the contract, grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box (es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box (es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(see reverse for public burden disclosure)

<p>1. Type of Federal Action:</p> <p>a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance</p>	<p>2. Status of Federal Action:</p> <p>a. bid/offer/application b. initial award c. post-award</p>	<p>3. Report Type:</p> <p>a. initial filing b. material change For Material Change Only: year _____ quarter date of last report</p>
<p>4. Name and Address of Reporting Entity: ___ Prime ___ Subawardee Tier _____, if known:</p> <p style="text-align: center;">Congressional District, if known:</p>	<p>5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime.</p> <p style="text-align: center;">Congressional District, if known:</p>	
<p>6. Federal Department/Agency:</p>	<p>7. Federal Program Name/Description:</p> <p style="text-align: center;">CFDA Number, if applicable:</p>	
<p>8. Federal Action Number, if known: _____</p>	<p>9. Award Amount, if known: \$ _____</p>	
<p>10. a. Name and Address of Lobbying Entity (if individual, last name, first name, MI):</p> <p style="text-align: center;">(Attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	<p>b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):</p> <p style="text-align: center;">(Attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	
<p>11. Amount of Payment (check all that apply):</p> <p>___ actual ___ planned \$</p> <p>12. Form of Payment (check all that apply):</p> <p>___ a. cash ___ b. in-kind; specify: nature _____ value</p>	<p>13. Type of Payment (check all that apply)</p> <p>___ a. retainer ___ b. one-time fee ___ c. commission ___ d. contingent fee ___ e. deferred ___ f. other, specify:</p>	
<p>14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s), or Member(s) contacted, for Payment Indicated in item 11:</p> <p style="text-align: center;">(Attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>		
<p>15. Continuation Sheet(s) SF-LLL-A attached: ___ YES ___ NO</p>		
<p>16. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>	<p>Signature _____ Print Name: _____ Title: _____ Telephone Number: _____ Date: _____</p>	

DISCLOSURE OF LOBBYING ACTIVITIES
(Continuation Sheet)

Reporting Entity:

Page

PART IV

SPECIAL CLAUSES AND CONDITIONS

(Should there be any inconsistency between these Clauses/Conditions and the Awardee's proposal, these Clauses/Conditions shall govern.)

PART IV - SPECIAL CLAUSES

Clause #1: BUDGET LINE ITEM FLEXIBILITY

Flexibility is allowed within the grant budget (*except wages, salaries and fringe benefits, and indirect cost rates*), provided no *single line item* is increased or decreased by more than 20%. Changes in excess of 20% and any changes in wages, salaries and fringe benefits, and indirect cost rates **MUST** receive prior written approval from the Grant Officer.

Any changes in mix or match within the wages and salaries line **do not** require a grant modification. However, your assigned DOL Federal Project Officer (FPO) must review these changes prior to implementing these changes. Failure to obtain such prior written approval may result in cost disallowance.

Clause #2: ADDITIONAL PROVISIONS

In performing its responsibilities under this grant agreement, the awardee hereby certifies and assures that it will fully comply with the following Provisions of the Workforce Investment Act (WIA) codified in the following Codes of Federal Regulation:

- 20 CFR 667.200, Administrative Rules, Costs and Limitations
- 20 CFR 667.260, Prohibition on Real Property
- 20 CFR 667.300, Reporting Requirements
- 20 CFR 667.410, Oversight Roles and Responsibilities
- 20 CFR 667.500 & 667.510, Resolution
- 20 CFR 667.700, Procedure to Impose Sanctions
- 29 CFR Part 37, Implementation of the Nondiscrimination and Equal Opportunity Provisions of the Workforce Investment Act of 1998 (WIA)

Clause #3: INDIRECT COST RATE AND COST ALLOCATION PLAN

This clause is applicable to all awardees receiving funds from multiple sources. Organizations receiving funds from only one source do not need an approved indirect cost rate (ICR) or cost allocation plan (CAP).

Mark the appropriate clause for your organization and fill in the blanks, as appropriate:

N/A A. A current approved CAP or ICR agreement dated _____ has been provided and approved by _____ (Federal Cognizant agency -Copy Attached).

Regarding only the ICR agreement;

- a) Indirect Rate approved _____%
- b) Type of Indirect Cost Rate (Provisional/Predetermined/Fixed) See attached ICR agreement
- c) Allocation Base See attached ICR agreement
- d) Current period applicable to rate See attached ICR agreement

N/A B. No CAP or ICR agreement has been approved by a Federal Agency.

Note:

Regarding "B", a pro rata share of the indirect costs specified on the 424A, Section B, Object Class Category "j", has been approved for the first **90 days** of the grant period. This is based on the fact that your organization has not established an ICR agreement or approved CAP.

Within this 90-day period, you **must** submit an acceptable indirect cost proposal or CAP to your Federal cognizant agency¹ to obtain a provisional indirect rate or a CAP approval. **Failure on your part to submit an indirect cost proposal within this 90-day period means that you shall not receive further reimbursement for your indirect costs.**

If DOL is your Federal cognizant agency, proposals shall be sent to the appropriate office in the DOL's Division of Cost Determination (see detailed list attached).

Ceiling Indirect Amounts (applicable to A or B above):

An Indirect Cost ceiling in the amount of \$_____, as specified on the 424A, Section B, Object Class Category "j", ~~has been applied under this agreement based on the grantee's budget or written documentation received.~~

The total amount of DOL's financial obligation under this award **will not be** increased to reimburse awardee organizations for higher negotiated indirect cost rates than those rates or amounts identified in this clause.

Note:

A ceiling amount does not exclude your organization from the responsibility of submitting an indirect cost rate for approval.

¹ Providing preponderance of Federal funds to the organization

Division of Cost Determination
List of Addresses and Telephone Numbers
(As of March 2010)

National Office Address and Contact Information:

200 Constitution Avenue, N.W., S-1510
Washington, D.C. 20210
(P) 202-693-4100
(F) 202-693-4099

Chief: Victor M. Lopez
E-mail address: lopez.victor@dol.gov
(P) 202-693-4106

	Cost Negotiators	E-mail Address	Location/ Region	Address	Phone/FAX
1	Damon Tomchick	tomchick.damon@dol.gov	D.C.	Same as National Office	(P) 202-693-4105 (F) 202-693-4099
2	Casey Carros	carros.casimer@dol.gov	D.C.	Same as National Office	(P) 202-693-4107 (F) 202-693-4099
3	Margie Merced	merced.margie@dol.gov	D.C.	Same as National Office	(P) 202-693-4104 (F) 202-693-4099
4	Stephen Cosminski	cosminski.stephen@dol.gov	Philadelphia	125 Oak Drive Sellersville, PA 18960	(P) 215-257-8712 (F) 215-257-8994
5	Ronald Goolsby	goolsby.ronald@dol.gov	Chicago	230 South Dearborn St. Room 1016 Chicago, IL 60604-1505	(P) 312-886-5247 (F) 312-353-0704
6	Carol McKone	mckone.carol@dol.gov	Dallas	P.O. Box 821067 Ft. Worth, TX 76182	(P) 817-281-1503 (F) 817-281-1530
7	Arthur Campbell	campbell.arthur@dol.gov	Seattle	P.O. Box 3433 Renton, WA 98056	(P) 425-271-3848 (F) 425-271-5295

* Cost Negotiators are generally responsible for organizations located in their regions, as follows:

Washington D.C. [National Office]: Washington D.C. metro area and Atlanta Region (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee).

Philadelphia Region: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, New Hampshire, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, Virginia, Virgin Islands, and West Virginia.

Chicago Region: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

Dallas Region: Arkansas, Colorado, Kentucky, Louisiana, Nevada, New Mexico, Oklahoma, Texas, and Wyoming.

Seattle Region: Alaska, California, Hawaii, Idaho, Montana, Oregon, Utah, and Washington.

THIS GRANT IS SUBJECT TO:

2 CFR Part 170

Appendix A to Part 170--Award Term

1. Reporting Subawards and Executive Compensation.

a. Reporting of first-tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

- i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.
- ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if--
 - i. the total Federal funding authorized to date under this award is \$25,000 or more;
 - ii. in the preceding fiscal year, you received--
 - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)
2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:

i. As part of your registration profile at <http://www.ccr.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if--
 - i. in the subrecipient's preceding fiscal year, the subrecipient received--
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)
2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c.1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. 201 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that

i. Receives a subaward from you (the recipient) under this award; and

ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

THIS GRANT IS SUBJECT TO:

2 CFR Subtitle A, Chapter I and Part 25

Appendix A to Part 25—Award Term

I. Central Contractor Registration and Universal Identifier Requirements

A. Requirement for Central Contractor Registration (CCR)

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions

For purposes of this award term:

1. Central Contractor Registration (CCR) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).

2. Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:

- a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. Subaward:
- a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. ---210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. Subrecipient means an entity that
- a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

THIS GRANT IS SUBJECT TO:

Safeguarding Data Including Personally Identifiable Information

Proposals received in response to this SGA must recognize that confidentiality of sensitive data is of paramount importance to the Department of Labor and must be observed except where disclosure is allowed by the prior written approval of the Grant Officer or by court order. By submitting a proposal, Grantees are assuring that all data exchanges conducted through or during the course of performance of this grant will be conducted in a manner consistent with applicable Federal law. All such activity conducted by ETA and/or Grantee/s will be performed in a manner consistent with applicable state and Federal laws.

By submitting your application, your organization agrees to take all necessary steps to protect such confidentiality by complying with the following provisions that are applicable in governing their handling of confidential information:

1. Grantees shall not extract information from data supplied by DOL/ETA for any purpose not stated in the SGA.
2. Grantees shall retain data received from DOL/ETA only for the period of time required to utilize it for assessment and other purposes, or to satisfy applicable Federal records retention requirements, if any. Thereafter, the Grantee agrees that all data will be destroyed, including the degaussing of magnetic tape files and permanent deletion of electronic data.
3. Grantees shall ensure that any information used during the performance of this Grant has been obtained and is being transmitted in conformity with applicable Federal and state laws governing the confidentiality of information. Information transmitted to DOL/ETA containing sensitive information, including personally identifiable information (PII), must be encrypted using National Institute of Standards and Technology (NIST) Federal Information Processing Standards (FIPS) 140-2 validated products. The encrypted information must be encrypted in a form that would allow the receiver of the information to decrypt the information without installing additional software or tools.
4. Access to any information created by DOL/ETA shall be restricted to only those employees of the Grant recipient who need it in their official capacity to perform duties in connection with the Scope of Work outlined in this SGA.
5. Grantee employees and other personnel who will have access to sensitive/confidential/proprietary/private data shall be advised of the confidential nature of the information, the safeguards required to protect the information, and the civil and criminal sanctions for noncompliance with such safeguards that are contained in Federal and state laws.
6. Prior to being able to have access to confidential data, Grantee employees and other personnel shall execute a standard document acknowledging their understanding of the confidential nature of the data and the safeguards with which they must comply in their handling of such data as well as the fact that they may be liable to civil and criminal sanctions for improper disclosure.
7. Grantees further acknowledge that all data obtained through DOL/ETA shall be stored in an area that is physically safe from access by unauthorized persons at all times and the data will be processed using grantee-issued equipment, managed information technology (IT) services, and designated locations approved by DOL/ETA. Accessing, processing, and storing of DOL/ETA data on personally owned equipment, at off-site locations (e.g., employee's home), and non-Grantee-managed IT services (e.g., Yahoo mail), is strictly prohibited unless approved by DOL/ETA.
8. All data shall be processed in a manner that will protect the confidentiality of the records/documents and is designed to prevent unauthorized persons from retrieving such records by computer, remote terminal, or any other means. Data may be downloaded to, or maintained on, mobile or portable devices only if the data are encrypted using NIST FIPS 140-2 validated products. In addition, wage data may only be accessed from secure locations.
9. Data obtained by the Grantee through a request shall not be disclosed to third parties except as permitted by the Grant Officer.
10. Grantees shall permit ETA to make onsite inspections during regular business hours for the purpose of conducting audits and/or to conduct other investigations to assure that the Grantee is complying with the confidentiality requirements described above. In accordance with this responsibility, Grantees shall make records applicable to this Agreement available to authorized persons for the purpose of inspection, review, and/or audit.
11. Grantees shall take the steps necessary to ensure the privacy of all PII obtained from participants and/or other individuals and to protect such information from disclosure to unauthorized individuals. Grantees shall maintain such PII in accordance with the DOL/ETA standards for information security provided herein, including any updates to such standards provided to the Grantee by DOL/ETA. Grantees shall report immediately to the DOL ETA Information Security Officer (ISO) any suspected or confirmed breaches or compromise of PII obtained from participants and/or other individuals.

PART IV - SPECIAL CONDITIONS

1. **Federal Project Officer:** The DOL/ETA Federal Project Officer (FPO) for this grant/agreement is:

Name: Jenn Smith
Address: U.S. Department of Labor/ETA/OWI
200 Constitution Avenue, NW, N-4511
Washington, DC 20210
Telephone: 202-693-3597
E-mail: smith.jenn@dol.gov

The FPO is not authorized to change any of the terms or conditions of the grant/agreement. Such changes, if any, will be accomplished by the Grant Officer by the use of a properly executed grant/agreement modification.

2. **Equipment:** Awardees must receive *prior approval* from the DOL/ETA Grant Officer for the purchase and/or lease of any equipment with a *per unit acquisition cost of \$5,000 or more, and a useful life of more than one year*. This includes the purchases of ADP equipment. The grant award does not give approval for equipment even if it is specified in a grantee's statement of work unless specifically approved in the grant award execution letter by the Grant Officer. If not, the awardee must submit a detailed description list to the FPO for review within 30 days of the grant/agreement award date. Failure to do so will necessitate the need for approval of equipment purchase on an individual basis.
3. **Program Income:** The awardee is authorized to utilize the addition method if any *Program Income* is generated throughout the duration of this grant/ agreement. The awardee is allowed to deduct costs incidental to generating Program Income to arrive at a net Program Income [29 CFR Part 95.24(c) or 29 CFR Part 97.25(c)(g)(2)].
4. **Pre-Award:** The awardee hereby agrees that all costs incurred by the awardee prior to the start date specified in the grant agreement issued by the Department are *incurred at the awardee's own expense*.
5. **Reports:** All ETA grantees are required to submit quarterly financial and narrative progress reports for each grant award.
 - A. **Quarterly Financial Reports.** Pursuant to Training and Employment Notice (TEN) 12-07, all ETA grantees are required to report quarterly financial data on the ETA 9130, no later than 45 days after the end of each reporting quarter. Reporting quarter end dates are June 30, September 30, December 31, and March 31.
 1. The previously used Standard Form 269 is no longer accepted by ETA. The ETA on-line reporting system has been modified to accommodate the ETA 9130 required data elements, which includes a new Federal cash section. Expenditures are required to be reported on an accrual basis, cumulative from the beginning of the life of a grant, through the end of each reporting period.

2. The instructions for accessing both the on-line financial reporting system and the HHS Payment Management System can be found in the transmittal memo accompanying this grant award document. Copies of the ETA 9130 and detailed reporting instructions are available at www.doleta.gov/grants/financial_reporting.cfm.

B. Quarterly Narrative Progress Reports. Grantees are required to submit a brief narrative quarterly and final report to the designated Federal Project Officer (FPO) on grant activities funded under this agreement. All reports are due no later than 45 days after the end of each reporting quarter. Reporting quarter end dates are June 30, September 30, December 31, and March 31.

1. The last quarterly progress report that grantees submit will serve as the grant's Final Performance Report. This report should provide both **quarterly and cumulative** information on the grant's activities. It must summarize project activities, employment outcomes and other deliverables, and related results of the project.
2. The awardee shall use any standard forms and instructions to report on training and employment outcomes and other data relating to the progress reports as provided by ETA.
3. The awardee shall utilize standard reporting processes and electronic reporting systems to submit their quarterly progress reports as provided by ETA.

6. **Consults:** *Consultant* fees paid under this grant/agreement shall be limited to \$585 per day without additional DOL Grant Officer approval.
7. **Rebates:** The awardee agrees to advise the Grant Officer, in writing, of any *forthcoming* income resulting from lease/rental rebates or other rebates, interest, credits or any other monies or financial benefits to be received directly or indirectly as a result of or generated by these award dollars. Appropriate action must be taken to ensure that the Government is reimbursed proportionally from such income.
8. **Publicity:** No funds provided under this grant shall be used for publicity or propaganda purposes, for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself. Nor shall grant funds be used to pay the salary or expenses of any grant or agreement awardee or agent acting for such awardee, related to any activity designed to influence legislation or appropriations pending before the Congress.
9. **Public Announcements:** When issuing statements, press releases, requests for proposals, bid solicitation, and other documents describing project or programs funded in whole or in part with Federal money, *all awardees* receiving Federal funds, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program.

10. **Executive Order 12928:** In compliance with Executive Order 12928, the Grantee is strongly encouraged to provide subcontracting/subgranting opportunities to Historically Black Colleges and Universities and other Minority Institutions such as Hispanic-Serving Institutions and Tribal Colleges and Universities; and to Small Businesses Owned and Controlled by Socially and Economically Disadvantaged Individuals.
11. **Procurement:** Except as specifically provided, DOL/ETA acceptance of a proposal and an award of federal funds to sponsor any program(s) ***does not*** provide a waiver of any grant requirements and/or procedures. For example, the OMB circulars require an entity's procurement procedures must conduct, as practical, ***all procurement transactions*** to provide open and free competition. If a proposal identifies a specific entity to provide the services, the DOL/ETA's award ***does not*** provide the justification or basis to sole-source the procurement, i.e., avoid competition.
12. **Veteran's Priority Provisions:** The Jobs for Veterans Act (Public Law 107-288) requires grantees to provide priority of service to veterans and spouses of certain veterans for the receipt of employment, training, and placement services in any job training program directly funded, in whole or in part, by DOL. The regulations implementing this priority of service can be found at 20 CFR part 1010. In circumstances where a grant recipient must choose between two qualified candidates for a service, one of whom is a veteran or eligible spouse, the veterans' priority of service provisions require that the grant recipient give the veteran or eligible spouse priority of service by first providing him or her that service. To obtain priority of service, a veteran or spouse must meet the program's eligibility requirements. Grantees must comply with DOL guidance on veterans' priority. ETA's Training and Employment Guidance Letter (TEGL) No. 10-09 (issued November 10, 2009) provides guidance on implementing priority of service for veterans and eligible spouses in all qualified job training programs funded in whole or in part by DOL. TEGL No. 10-09 is available at http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2816.
13. **Audits:** The awardee agrees to comply with the required financial and compliance audits in accordance with the Single Audit Act of 1984.
14. **Salary and Bonus Limitations:** Under Public Law 109-234 and Public Law 111-8, Section 111, none of the funds appropriated in Public Law 111-5 or prior Acts under the heading "Employment and Training" that are available for expenditure on or after June 15, 2006, shall be used by a recipient or sub-recipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II. These limitations also apply to grants funded under this SGA. The salary and bonus limitation does not apply to vendors providing goods and services as defined in OMB Circular A-133. See Training and Employment Guidance Letter No. 5-06 for further clarification, available at http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2262.
15. **Intellectual Property Rights:** The Federal Government reserves a paid-up, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for federal purposes: i) the copyright in all products developed under the grant, including a subgrant or contract under the grant or subgrant; and ii) any rights of copyright to which the grantee, subgrantee or a contractor purchases ownership under an award (including but not limited to curricula, training models, technical assistance products,

and any related materials). Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise. Federal funds may not be used to pay any royalty or licensing fee associated with such copyrighted material, although they may be used to pay costs for obtaining a copy which are limited to the developer/seller costs of copying and shipping. If revenues are generated through selling products developed with grant funds, including intellectual property, these revenues are program income. Program income is added to the grant and must be expended for allowable grant activities.

If applicable, the following needs to be on all products developed in whole or in part with grant funds:

"This workforce solution was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The solution was created by the grantee and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This solution is copyrighted by the institution that created it. Internal use, by an organization and/or personal use by an individual for non-commercial purposes, is permissible. All other uses require the prior authorization of the copyright owner."

16. **Evaluation, Data, and Implementation:** The grantee agrees to cooperate with the U.S. Department of Labor (USDOL) in the conduct of a third-party evaluation, including providing to USDOL or its authorized contractor appropriate data and access to program operating personnel and participants in a timely manner.
17. **ACORN Prohibition:** Section 511 of the Consolidated Appropriations Act, 2010 (P.L. 111-117, Division E) (CAA), requires that no direct or indirect funding from the CAA may be provided to the Association of Community Organizations for Reform Now (ACORN) or any of its subsidiaries through Federal grantees or contractors. DOL is required to take steps so that no Federal funds from the CAA are awarded or obligated by DOL grantees or contractors to ACORN or its subsidiaries as subgrantees, subcontractors, or other subrecipients. This prohibition applies not only to a direct recipient of Federal funds, but also to a subrecipient (e.g., a subcontractor, subgrantee, or contractor of a grantee).

Training and Employment Guidance Letter (TEGL) No. 8-09, Change 1 provides detailed guidance concerning this prohibition. The TEGL can be found on ETA's website at http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2960. If you have any additional questions, please contact your Grant Officer.
18. **Age Discrimination Act of 1975:** The Age Discrimination Act of 1975, 42 U.S.C. 6101 *et seq.*, prohibits discrimination on the basis of age in any program or activity receiving Federal financial assistance.
19. **Flood Insurance:** The Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4001 *et seq.*, provides that no Federal financial assistance to acquire, modernize, or construct property may be provided in identified flood-prone communities in the United States, unless the community participates in the National Flood Insurance Program and flood insurance is purchased within 1 year of the identification. The flood insurance

purchase requirement applies to both public and private applicants for HHS support. Lists of flood-prone areas that are eligible for flood insurance are published in the *Federal Register* by FEMA.

20. **Architectural Barriers:** The Architectural Barriers Act of 1968, 42 U.S.C. 4151 *et seq.*, as amended, the Federal Property Management Regulations (see 41 CFR 102-76), and the Uniform Federal Accessibility Standards issued by GSA (see 36 CFR 1191, Appendixes C and D) set forth requirements to make facilities accessible to, and usable by, the physically handicapped and include minimum design standards. All new facilities designed or constructed with grant support must comply with these requirements.
21. **Drug-Free Workplace:** The Drug-Free Workplace Act of 1988, 42 U.S.C. 701 *et seq.*, requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. The recipient must notify the awarding office if an employee of the recipient is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment.
22. **Limited English Proficiency:** Recipients of Federal financial assistance must take reasonable steps to ensure that people with limited English proficiency have meaningful access to health and social services and that there is effective communication between the service provider and individuals with limited English proficiency. Recipients should determine their responsibilities to individuals with limited English proficiency under Title VI of the Civil Rights Act of 1964.
23. **Seat Belts:** Pursuant to EO 13043 (April 16, 1997), Increasing the Use of Seat Belts in the United States, recipients are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating vehicles, whether organizationally owned or rented or personally owned.
24. **Executive Order 13513:** Sec. 4. Text Messaging While Driving by Government Contractors, Subcontractors, and Recipients and Subrecipients. Each Federal agency, in procurement contracts, grants, and cooperative agreements, and other grants to the extent authorized by applicable statutory authority, entered into after the date of this order, shall encourage contractors, subcontractors, and recipients and subrecipients to adopt and enforce policies that ban text messaging while driving company-owned or -rented vehicles or GOV, or while driving POV when on official Government business or when performing any work for or on behalf of the Government. Agencies should also encourage Federal contractors, subcontractors, and grant recipients and subrecipients as described in this section to conduct initiatives of the type described in section 3(a) of this order.
25. **Executive Order 13333:** This agreement may be terminated without penalty, if the grantee or any subgrantee, or the contractor or any subcontractor (i) engages in severe forms of trafficking in persons or has procured a commercial sex act during the period of time that the grant, contract, or cooperative agreement is in effect, or (ii) uses forced labor in the performance of the grant, contract, or cooperative agreement." (22 U.S.C. § 7104(g))

26. SPECIAL REQUIREMENTS FOR CONFERENCES AND CONFERENCE SPACE

The Department of Labor has instituted a policy that requires its staff to hold meetings in its U.S. Department of Labor buildings, such as the Frances Perkins Building, BLS Postal Square Building or another GSA-controlled space in the Metropolitan Washington area. In the event a meeting is to be held under the terms of the grant, the grantee is responsible to research the availability of federal space and when suitable federal space is located, arrange for the space be reserved, or contact the FPO to arrange for the space to be reserved in the event that the federal agency requires a federal staff person reserve conference space through:

FPB Conference Room Reservations: 202-693-7773

Postal Square Building (BLS) Reservations: 202-691-6630 (30 day advance notice) or email to conference_help@bls.gov.

The U.S. Department of Labor has implemented a Government-wide policy regarding standardized procedures for the pre-clearance of conferences and conference attendance. The FPO is responsible for obtaining Departmental clearance before the Grantee incurs expenses for any conference or meeting. However, no request for pre-clearance is required for any meetings or conferences that are being planned and convened by the grantee or as part of the implementation of this grant, that do not include more than five Department of Labor Federal employees. If the Grantee plans to have any such meetings or conferences that will require the attendance of more than five Department of Labor Federal employee attendees, pre-clearance of that meeting or conference is required, and should be coordinated with the FPO.

When these facilities are unavailable or inadequate to meet the requirements of the grant, the grantee shall provide information to support a justification using the formats specified below. The grantee shall document an analysis that includes a list of federal spaces contacted in indicating the reason space was not adequate/available. To support the recommendation of commercial spaces, the grantee shall include three estimates from commercial sources to show evidence that the grantee located the most economical venue for the meeting/conference space.

In situations where DOL space or other federal space is not available or inadequate to meet the needs of the grant requirement, the Grantee shall document the analysis that includes a list of federal spaces contacted in indicating the reason space was not adequate/available. To support the recommendation of commercial spaces, the grantee shall include three estimates from commercial sources to show evidence that the grantee located the most economical venue for the meeting/conference space.

Timeline - when arranging a meeting, the grantee shall submit a timeline for the meeting which includes:

- identification of the locale
- timeline to contact federal facilities determine availability
- timeline to contact contractor facilities and establish estimated costs in the event a commercial venue is required, fill in the attached justification (found on the next page of your grant agreement). The timeline for approval should be two weeks.

Signing this award agreement, or the expenditure of grant funds, certifies that your organization has read and will comply with all parts of this grant agreement.

**EMPLOYMENT AND TRAINING ADMINISTRATION
CONFERENCE/MEETING CLEARANCE REQUEST FORM**

Please fill out the following clearance request form in full and email it to the Federal Project Officer for this grant or cooperative agreement. In the e-mail, please attach electronically (both PDF and Word format) any further expense information or documentation in support of the conference request, as well as a copy of the required memorandum from the agency head requesting agency participation in the conference. Finally, please attach your agency's conference meeting plan.

DATE OF REQUEST: _____
REQUESTED BY: Government Federal Project Officer's name
SPONSORING OFFICE: Employment and Training Administration (ETA) and Office Name
CO-SPONSORING OFFICE/ORGANIZATION: If Applicable, this section is usually completed by the ETA FPO.
CONFERENCE TITLE:
CONFERENCE DATE(S):
PURPOSE AND OBJECTIVE(S): (Describe the purpose of the conference, justify, and certify that sponsorship of this conference is important to the program mission.)

4

July 24, 2014

Board of Commissioners
Clackamas County

Members of the Board:

Approval of Grant Agreement Amendment #1 with the State of Oregon, Department of Housing and Community Services to Administer Community Resource Division Funds which Funds a Variety of Social Services Programs

Propose/ Outcomes	Approval of Grant Agreement Amendment #1 with the State of Oregon, Department of Housing and Community Services (OHCS) to extend the grant period to June 30, 2015.
Dollar Amount and Fiscal Impact	The grant funds available to County through OHCS are subject to approval of the State's budget. However, it is anticipated that this grant will result in an award equal to the previous award, which was slightly more than \$5.6 million dollars in revenues for the one-year grant period.
Funding Source	State of Oregon, Department of Housing and Community Services (OHCS), OHCS Community Resources Division (CRD) funds No County General Funds are involved.
Safety Impact	None
Duration	July 1, 2013 to June 30, 2015
Previous Board Action	022813-A1 and 071813-A4
Contact Person	Brenda Durbin, Director, Social Services Division - 503-655-8641
Contract No.	6296

BACKGROUND:

The Social Services Division of the Health, Housing & Human Services Department requests the approval of Grant Agreement Amendment #1 with OHCS to extend the grant period to June 30, 2015. The agreement, better known as the "Master Grant Agreement" (MGA), covers all funding sources (both federal and state) from the State of Oregon, Department of Housing & Community Services that support a variety of social services programs. The program and funding pieces included under this amendment are as follows:

Community Services Block Grant (CSBG): Federal funds designed to provide services to low-income individuals, including frail elderly, disabled citizens.

State Homeless Assistance Program (SHAP): State of Oregon general funds designed to provide support to emergency shelter programs. In Clackamas County these funds purchase shelter space at two emergency shelters; the shelter for survivors of domestic violence and their children operated by Clackamas Women's Services; and the shelter for families with children, the Annie Ross House emergency shelter, operated by Northwest Housing Alternatives, Inc.

Emergency Housing Account Program (EHA): State of Oregon general funds that provide an array of housing and shelter related activities which have as their primary focus the permanent solution of a household's housing needs. Programs funded by this source include support to the Clackamas County emergency shelters, housing related information and referral services, case management services to low-income households, rapid re-housing and homeless prevention services for persons who are homeless or at imminent risk of homelessness, housing assistance to veterans who are homeless or at high risk of homelessness, and shelter services to homeless youth.

Housing Stabilization Program (HSP): State of Oregon general funds that assist programs which secure stable housing for chronically homeless clients served, by the State of Oregon, Department of Human Resources, Adult and Family Services Division. Program activities will focus on establishing clean credit histories, facilitating client understanding of resident and landlord rights and obligations, and money management skills.

Low Income Rental Housing Fund (LIHRF): State of Oregon general funds that provide short-term rental assistance to very-low-income households who are in danger of losing their rental units because of involuntary hardship or homelessness. Program supported by this source includes Bridges to Housing (B2H) permanent housing program.

Low-Income Home Energy Assistance Program (LIHEAP): Federal funds designed to assist low-income households, with emphasis on elderly and disabled persons, with unpaid winter utility bills.

Oregon Energy Assistance Program (OEAP): Portland General Electric (PGE) generated funds that assist low-income households with assistance payments directed toward their PGE bills.

Low-Income Energy Assistance Weatherization Program and Department of Energy Weatherization Program (WX): These programs will be operated directly by the County's Weatherization program.

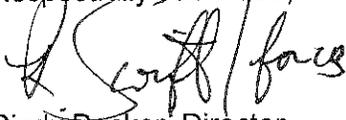
Issues

The amendment was received from OHCS on June 26, 2014 and required further review by the Division and County Counsel. The amendment was approved by County Counsel on July 8, 2014.

RECOMMENDATION:

We recommend the approval of this grant agreement amendment and that Cindy Becker, Director of Health, Housing & Human Services is authorized to sign all documents necessary to accomplish this action on behalf of the Board of County Commissioners.

Respectfully submitted,



Cindy Becker, Director

**STATE OF OREGON
HOUSING AND COMMUNITY SERVICES DEPARTMENT**

2013-2014 MASTER GRANT AGREEMENT #3046 AMENDMENT No. 001

This is Amendment No. 001 (this "Amendment") to Master Grant Agreement No. 3046 (the "Agreement"). The Agreement is dated July 24, 2013, and executed by and between the State of Oregon acting by and through its Housing and Community Services Department ("Agency") and Clackamas County Social Services. ("Subgrantee") (collectively, the "parties"). This Amendment will become effective upon execution by both parties and (in the case of Agency) when all required approvals have been obtained.

For good and sufficient consideration including the terms and conditions of this Amendment, the parties agree as follows:

- A. The Agreement is hereby amended to extend the expiration date to June 30, 2015.
 - B. The Agreement is hereby amended by replacing Exhibit A, Definitions in its entirety.
 - C. The Agreement is hereby amended by replacing Exhibit A, Attached Program Elements 03 and 05 are hereby replaced in their entirety.
2. Except as expressly amended above, all other terms and conditions of the Agreement remain in full force and effect.
 3. The parties expressly affirm and ratify the Agreement as herein amended.
 4. Subgrantee certifies that the representations, warranties and certifications contained in the Agreement are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

Certification: By signature on this Amendment, the undersigned hereby certifies for Subgrantee under penalty of perjury that the undersigned is authorized to act on behalf of Subgrantee and that Subgrantee is, to the best of the undersigned's knowledge, not in violation of any Oregon Tax Laws. For purposes of this certification, "Oregon Tax Laws" means a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250 and ORS chapters 118, 314, 316, 317, 318, 321 and 323 and the elderly rental assistance program under ORS 310.630 to 310.706 and local taxes administered by the Department of Revenue under ORS 305.620.

AGREED:

SUBGRANTEE

Authorized by: _____ Title: _____ Date: _____

Federal Tax ID #: 936002286

AGENCY

Authorized by: _____
Margaret S. Van Vliet, Director, or designee Date

APPROVED

OREGON DEPARTMENT OF JUSTICE

By: D. Kevin Carlson, Senior Assistant Attorney General (via e-mail) on June 18, 2014

MASTER GRANT AGREEMENT 2013-2014

EXHIBIT A

DEFINITIONS

As used in this Agreement, the following words and phrases shall have the indicated meanings. Certain additional words and phrases are defined in the Program Element descriptions. When a word or phrase is defined in a particular Program Element description, the word or phrase shall not necessarily have the ascribed meaning in any part of the Agreement other than the particular Program Element description in which it is defined.

1. **“Agreement”** means this 2013-2014 Master Grant Agreement for the delivery of federal and state antipoverty programs.
2. **“Allowable Costs”** means the cost described in the OMB Circulars except to the extent such costs are limited or excluded by other provisions of the Agreement, whether in the applicable NOAs, Program Elements, or otherwise.
3. **“Client”** means, with respect to a particular Program Element, any individual who is receiving those program services for or through the Subgrantee.
4. **“DBRA”** means the Davis-Bacon and Related Acts.
5. **“Department”** means Oregon Housing and Community Services Department or “OHCS”.
6. **“Disallowance of Costs”** means money disbursed to Subgrantee by Department under this Agreement and expended by Subgrantee that:
 - a. Is identified by the Federal Government as expended contrary to applicable statutes, rules, OMB Circulars or any other authority that governs the permissible expenditure of such money, for which the Federal Government has requested reimbursement by the Department and whether in the form of federal determination of improper use of federal funds, a federal notice of disallowance, or otherwise; or
 - b. Is identified by the Department as expended in a manner other than that permitted by this Agreement, including without limitation, any money expended by Subgrantee, contrary to applicable statutes, rules, OMB Circulars or any other authority that governs the permissible expenditure of such money; or
 - c. Is identified by the Department as expended on the delivery of a Program Element service that did not meet the standards and requirements of this Agreement with respect to that service.
7. **“Federal Funds”** means all funds paid to Subgrantee under this Agreement that Department receives from an agency, instrumentally or program of the Federal Government of the United States.
8. **“NOA”** means Notice of Allocation which is issued by the Department to Subgrantee to award, distribute, or recapture Grant funds under this Agreement as they are requested, come available, or are revoked under a program.
9. **“PWR”** means the prevailing wage rates as set forth by US Department of Labor or the Oregon Bureau of Labor and Industry.
10. **“Remedies”** has the meaning set forth in Exhibit B, section 15.

11. **“RFF” or “Request for Funds”** means the Subgrantee’s request for reimbursement of allowable expenses incurred and costs to carry out the delivery of the grant programs and services.
12. **“Subaward”** means an award of financial assistance made under an award by the Subgrantee to an eligible subrecipient or by a subrecipient to a lower tier subrecipient.
13. **“Subcontract”** means a contractual agreement between the Subgrantee and a vendor for the purpose of providing goods or services for a program under this Agreement.
14. **“Subgrantee”** means an entity that is a state or local government, nonprofit, or for-profit organization that expends award funds from Department under this Agreement to carry out a program a program(s).
15. **“Subrecipient”** means an entity that is a state or local government, nonprofit, or for-profit organization that expends awards received by Subgrantee from the Department under this Agreement to carry out a program(s). As applicable, this definition is subject to further construction as may be provided in Program Elements made part of this Agreement and the context of the term’s use in the respective Program Elements.
16. **“Vendor”** means a dealer, distributor, merchant or other provider or contractor of goods or services that are needed to administer a federal program. The goods or services may be for an entity’s own use or for the use of beneficiaries of the federal program.
17. **“Program Element”** means any one of the following programs or group of related programs as described in the Attachments, whose costs are covered in whole or in part with financial assistance that Department pays to Subgrantee pursuant to this Agreement:

Program Element Name	Attachment #
Community Services Block Grant (CSBG)	PE 01
Emergency Housing Account (EHA)	PE 03
State Homeless Assistance Program (SHAP)	PE 04
Housing Stabilization Program (HSP)	PE 05
Low Income Rental Housing Fund (LIRHF)	PE 07
Low Income Home Energy Assistance Program (LIHEAP)	PE 12
LIHEAP Weatherization Assistance Program (LIHEAP WX)	PE 13
Oregon Energy Assistance Program (OEAP)	PE 14
Bonneville Power Administration Weatherization Program (BPA)	PE 15
Department of Energy Weatherization Assistance Program (DOE WAP)	PE 16
Low Income Weatherization Assistance Program (DOE WAP)	PE 17
Energy Conservation Helping Oregonians (ECHO)	PE 18

2013-2015 MASTER GRANT AGREEMENT

Exhibit A, Program Element PE 03
Emergency Housing Assistance (EHA)

1. **Description.** Emergency Housing Assistance (EHA) provides state funds to supplement effective existing local programs and/or establish new programs designed to prevent and reduce homelessness. EHA funds are available for eight program components: emergency shelter; transitional housing; rapid re-housing; homelessness prevention; supportive housing services; veteran's housing assistance; data collection and; community capacity building designed to enhance, expand or sustain homeless services.

2. **Definitions:** Certain words and phrases in this program element shall have the meanings provided herein, as stated in OAR 813.046 as amended, ORS 458.600 to 458.650, or as otherwise provided by OHCS unless the context clearly requires otherwise:

"Agreement" means the current Master Grant Agreement for the delivery of federal and state antipoverty programs.

"Certified household" means an individual, family or household whose homeless status and eligibility for program services has been verified by Subgrantee through required and adequate documentation satisfactory to OHCS.

"Department" or "OHCS" means the state of Oregon acting by and through the Housing and Community Services Department.

"EHA" or "Program" means Emergency Housing Assistance.

"Emergency shelter" means a facility that has the primary use of providing temporary or transitional shelter for the homeless, and which does not require occupants to sign leases or occupancy agreements.

"Extremely low income" means an annual household income that is 30% or less of area median income based on HUD determined guidelines adjusted for family size.

"HMIS" means Homeless Management Information System.

"Homeless" means a household that lacks a fixed, regular, and/or adequate nighttime residence that meets one or more of HUD's or department categorical definitions for:

- a) literally homeless;
- b) imminent risk of homelessness;
- c) homeless under other Federal statutes;
- d) fleeing/attempting to flee domestic violence; or
- e) unstably housed and at-risk of losing housing as defined in the program manual.

"Household" means an individual living alone, family with or without children, or a group of individuals who are living together as one economic unit.

"Household income" means total household receipts before taxes from all sources. Household income may be reduced by deductions allowed by OHCS. Household income does not include assets or funds over which the household has no control.

"HUD" means U.S. Department of Housing and Urban Development.

"Low income" means an annual household income that is more than 50 percent but less than 80 percent of the area median income based on HUD determined guidelines as adjusted for family size.

"Program participant" means a household that receives program services.

"Program requirements" means the conditions of this program, applicable agreement terms and conditions, applicable federal and state law including but not limited to department administrative rules, as amended from time to time, department directives and program manual.

"Program services" means emergency shelter, transitional housing, rapid-rehousing, homelessness prevention, supportive housing services, veteran's housing assistance, data collection and community homeless system capacity building delivered in compliance with program requirements.

"Self-sufficiency" means meeting basic needs and achieving stability in areas including, but not limited to, housing, household income, nutrition, health care, and accessing needed services.

"Subgrantee" means the public or private nonprofit organization which has entered into this agreement with OHCS to administer the program at the local level within the designated service area.

"Subrecipient" means a public or private nonprofit organization that enters into a written agreement with Subgrantee satisfactory to OHCS to provide program services to certified households.

"Very low income" means an annual household income that is 50% or less of the area median income based on HUD determined guidelines adjusted for family size.

"Veteran" means a person with discharge papers or DD214 ID documentation who:

- a) served on active duty with the Armed Forces of the United States for a specified period of time as further defined in ORS 408.225 and was discharged or released from active duty under honorable conditions; or
- b) received a combat or campaign ribbon or an expeditionary medal for service in the Armed Forces of the United States and was discharged or released from active duty under honorable conditions; or
- c) is receiving a nonservice-connected pension from the United States Department of Veterans Affairs.

"Work Plan Application" means Subgrantee's plan for use of program funds in its funding application, as approved by the department.

3. Scope of Work.

- A. Subgrantee shall, and shall cause and shall require by contract that its Subrecipients comply and perform all work to the satisfaction of OHCS, and in accordance with the terms of this agreement, including its local work plan application as approved by OHCS and supplemented herein, together with applicable program requirements including OAR 813.046 as amended, and ORS 458.600 to 458.650. The approved work plan application is incorporated herein by reference. The remaining provisions of this Section 3 are supplemental to, and do not limit the obligations of Subgrantee or its Subrecipients arising under this Subsection 3A or otherwise under this agreement.
- B. Subgrantee shall, and shall cause and shall require its Subrecipients by contract to administer the program in a manner satisfactory to OHCS and in compliance with the all program requirements, including but not limited to the following terms and conditions:
 - 1) Subgrantee will expend no more than 10 percent (including allowable administrative costs shared with Subrecipients) of its program award for allowable administrative costs in order to provide the services outlined in this agreement.

- 2) Subgrantee will, and will cause and require its Subrecipients by contract to assure that program funds are used only for program services consistent with program requirements.
- 3) Subgrantee will, and will cause and will require its Subrecipients by contract to assure that program funds are used to supplement existing funding, to support existing projects or to establish new projects. Program funds may not be used to replace existing funding. A portion of program funds will be allocated to exclusively serve veterans in compliance with HB 2417.
- 4) Subgrantee will, and will cause and will require its Subrecipients by contract to conduct an initial evaluation to determine eligibility for program services in alignment with existing local Continuum of Care developed centralized or coordinated assessment requirements and program requirements.
- 5) Subgrantee will, and will cause and will require its Subrecipients by contract to serve only certified households whose eligibility has been determined in compliance with program requirements. Subgrantee is responsible to OHCS for any losses resulting from improper or negligent issuance of program funds and shall repay such funds to OHCS within thirty (30) days upon written demand from OHCS.
- 6) Subgrantee will, and will cause and will require its Subrecipients by contract to provide program services only to eligible households who are homeless.
- 7) Subgrantee will, and will cause and will require its Subrecipients by contract to assure that program services are available to extremely low income and very low income households, including but not limited to, veterans, persons more than 65 years of age, disabled persons, farm workers and Native Americans, that are homeless or at risk of becoming homeless.
- 8) Subgrantee will, and will cause and will require its Subrecipients by contract to meet OHCS recordkeeping requirements for the adequate documentation of homeless and veteran status when determining the eligibility of households served with program funds.
- 9) Subgrantee will, and will cause and will require its Subrecipients by contract to require all program participants as appropriate, to participate in programs or activities that will increase household self-sufficiency.
- 10) Subgrantee will, and will cause and will require its Subrecipients by contract to re-evaluate program participant eligibility and need for homelessness prevention and rapid re-housing assistance in compliance with program requirements.
- 11) Subgrantee and Subrecipients may utilize program funds to address the specific needs of various homeless subpopulations. Specific targeting of funds will be outlined and approved by OHCS in the Subgrantee's work plan application. Targeting and serving homeless and at risk of homelessness veterans is required for the use of program funds that have been legislatively dedicated to serving veterans.
- 12) Subgrantee will, and will cause and require its Subrecipients by contract to have denial, termination, appeal and fair hearing procedures accessible to program applicants and participants upon request. Such procedures must satisfy applicable program requirements including assurance that all applicants are informed during the intake interview of their right to appeal. All appeals and fair hearings will be handled by the Subgrantee. Denial, termination, appeal and fair hearing procedures, including as implemented, are subject to department review and correction.
- 13) Subgrantee may terminate program services to program participants who violate program requirements. Termination, denial and grievance procedures will be clearly communicated to and easily understood by program participants and readily available upon request, or posted in a public location.

- 14) Subgrantee will, and will cause and will require its Subrecipients by contract to be responsible for maintaining an internal controls framework, satisfactory to OHCS, which assures compliance with program requirements. For example, the following procedures should be established and outlined in local documentation (e.g. staff policy/procedure manuals):
 - a) Subgrantee will establish and maintain regular Subrecipient monitoring practices. Subgrantee will obtain prior written approval from OHCS before adding additional Subrecipients or renewing any Subrecipients.
 - b) Subgrantee will, and will cause and require its Subrecipients by contract to assure that completed applications and household benefits are valid and correct. This includes adequate separation of duties among intake, authorization and fiscal staff.
 - c) Subgrantee will, and will cause and require its Subrecipients by contract to maintain clear policy for cases where there may be a conflict of interest. This includes procedures for staff when employees, board members, friends or family members apply for program services.
 - d) Subgrantee will, and will cause and require its Subrecipients by contract to maintain clear procedures for dealing with program applicants and participants who may have committed fraud and for dealing with public complaints regarding potential fraud. All incidents of fraud must be reported to OHCS.
 - e) Subgrantee will, and will cause and require its Subrecipients by contract to maintain clear procedures, satisfactory to OHCS, for preventing, detecting and dealing with employee fraud. All incidents of fraud must be reported to OHCS.
- 15) Subgrantee will, and will cause and require its Subrecipients by contract to assure that all necessary documentation is included in program participant files satisfactory to OHCS. This includes, but is not limited to, documentation of homeless status used to determine program eligibility.
- 16) Subgrantee will, and will cause and require its Subrecipients by contract to allow OHCS access to, or furnish, whatever information and/or documentation is necessary for OHCS to conduct reviews and monitor progress or performance to determine conformity with intended program purposes. Subgrantee shall permit representatives of OHCS to visit its sites or Subrecipient sites, and to review and audit all records pertinent to program funding at any reasonable time, with or without benefit of prior notification.

4. Program Specific Reporting.

- A. Subgrantee will, and will cause and require its Subrecipients by contract to assure that data collection and reporting, including data entry for program funded activities, be conducted through the use of OHCS approved HMIS. EHA funds dedicated to veterans must be entered and reported separately from other EHA funded client data. Subgrantee will, and will cause and require its Subrecipients to, assure that data collection, entry and reporting occur in an accurate and timely manner as satisfactory to OHCS.
- B. Subgrantee will, and will cause and require its Subrecipients by contract to submit all reports as required in the agreement including the "Homeless Quarterly Report" which is due twenty (20) days following the end of each quarter—October 20th, January 20th, April 20th and July 20th. Subgrantee may request a reporting deadline extension when necessary for department approval or disapproval.
- C. Subgrantee will provide additional reports as needed or requested by OHCS.

5. Performance Measures.

A. Subgrantee will, and will cause and require its Subrecipients by contract to administer the program in a manner consistent with program requirements designed to achieve the following performance goals:

- 1) Increased housing stability as measured by the percentage of total program participants who reside in permanent housing at time of their exit from the program or project funded by the program. Preliminary statewide target is 30%.
- 2) Increased housing stability as measured by the percentage of program participants who reside in permanent housing (those counted in the above 30%) and maintain permanent housing for six months from the time of program or project exit. Statewide target is 80%.

2013-2015 MASTER GRANT AGREEMENT
Exhibit A, Program Element PE 05
Housing Stabilization Program

1. **Description.** The Housing Stabilization Program (HSP) provides temporary financial assistance and support services to stabilize housing for low income eligible families who are homeless or unstably housed and at risk of losing their housing. HSP funds are available for four program components: housing related costs, auxiliary services, case management and data collection pursuant to CFDA 93.558, 45 CFR 260, 263 and 264.50, 42 U.S.C. 7, OAR 813.051 as amended, ORS 124.060-065, 411.320, 419B.010-015, 430.735-765, 458.505 to 458.545, program manual and OHCS directives.

2. **Definitions.** Certain words and phrases in this program element shall have the meanings herein, as stated in 42 U.S.C. 7, OAR 813.051 as amended, or as otherwise provided by OHCS, unless the context clearly requires otherwise:

"Agreement" means the current Master Grant Agreement for the delivery of federal and state antipoverty programs.

"Certified household" means an eligible family household whose homeless status and eligibility for program services has been verified by Subgrantee through required and adequate documentation satisfactory to OHCS.

"Department" or *"OHCS"* means the state of Oregon acting by and through the Housing and Community Services Department.

"DHS" means Department of Human Services.

"Eligible dependent child" means an unmarried or separated individual who is either under the age of eighteen (18) years OR is under nineteen (19) years and a full-time student OR is a minor parent OR an unborn child.

"Eligible family household" means a low income household with an eligible dependent child or children, including a single pregnant woman in the month of her due date, living together as one economic unit.

"HMIS" means Homeless Management Information System.

"Homeless" means an eligible family household that lacks a fixed, regular and adequate and/or nighttime residence that meets one or more of HUD's or department categorical definitions for:

- a) literally homeless;
- b) imminent risk of homelessness;
- c) homeless under other Federal statutes;
- d) fleeing/attempting to flee domestic violence; or
- e) unstably housed and at-risk of losing housing.

"Household income" means the total eligible family household receipts before taxes from all sources, excluding Social Security income and any other deductions allowed by the department.

"HSP" or *"Program"* means the Housing Stabilization Program.

"HUD" means the U.S. Department of Housing and Urban Development.

"Low income" means household income at or below 150% of the federal poverty line and household assets that do not exceed \$2,500.

"Maintenance of effort" means nonfederal cash and, with OHCS approval, in-kind contributions used to supplement program services in an amount that equals the subgrantee's program funding allocation.

“Other federal statutes” means the Runaway and Homeless Youth Act, Head Start Act, Subtitle N of the Violence Against Women Act of 1994, Section 330 of the Public Health Service Act, Food and Nutrition Act of 2008, Section 17 of the Child Nutrition Act of 1966, and Subtitle B of Title VII of the McKinney-Vento Act.

“Poverty guidelines” means the income guidelines established by the Dept. of Health and Human Services to determine financial eligibility of certain programs (including TANF).

“Program participant” means a household that receives program services.

“Program requirements” means the conditions of this program, applicable agreement terms and conditions, applicable federal and state law including but not limited to department administrative rules as amended, department directives and program manual.

“Program services” means department temporary allowable services for housing related costs, auxiliary services, case management, and data collection not exceeding four (4) months as defined in the program manual and delivered in compliance with program requirements and that are intended to address non-recurrent needs that prevent access to and/or retention of safe, stable and affordable housing.

“Subgrantee” means the public or private nonprofit organization which has entered into this agreement with OHCS to administer the program at the local level within the designated service area.

“Subrecipient” means a public or private nonprofit organization that enters into a written agreement with Subgrantee satisfactory to OHCS to provide program assistance to certified households.

“TANF” means Temporary Assistance to Needy Families.

“Unaccompanied youth” means an individual who is less than twenty-five (25) years of age with a dependent child and qualifies as homeless.

“Work plan application” means Subgrantee’s plan for use of program funds in its funding application, as approved by the department.

3. Scope of Work.

- A. Subgrantee shall, and shall cause and shall require by contract that its Subrecipients comply and perform all work to the satisfaction of OHCS, and in accordance with the terms of this Agreement, including its local work plan application as approved by OHCS and supplemented herein, together with applicable program requirements including CFDA 93.558, 45 CFR 260, 263 and 264.50, OAR 813.051 as amended and ORS 124.060-065458.505 to 458.545. The approved work plan application is incorporated herein by reference. The remaining provisions of this Section 3 are supplemental to, and do not limit the obligations of Subgrantee or its Subrecipients arising under this Subsection 3A or otherwise under this agreement
- B. Subgrantee shall, and shall cause and shall require its Subrecipients by contract to administer the program in a manner satisfactory to OHCS and in compliance with all program requirements, including but not limited to the following terms and conditions:
 - 1) Subgrantee will expend no more than 10 percent (including allowable administrative costs shared with Subrecipients) of its program award for allowable administrative costs in order to provide the services outlined in this agreement.
 - 2) Subgrantee will, and will cause and require its Subrecipients by contract to assure that all program funds are used only for program services consistent with program requirements.
 - 3) Subgrantee will, and will cause and require its Subrecipients by contract to conduct an initial evaluation to

determine eligibility for program services based on criteria issued by OHCS and DHS. Subgrantee is encouraged to align evaluation process with local Continuum of Care developed centralized or coordinated assessment requirements and DHS local branch assessment process.

- 4) Subgrantee will, and will cause and require its Subrecipients by contract to serve only certified households whose eligibility has been determined in compliance with program requirements. Subgrantee is responsible to OHCS for any losses resulting from improper or negligent issuance of program funds and shall repay such funds to OHCS within thirty (30) days upon written demand from OHCS.
- 5) Subgrantee will, and will cause and require its Subrecipients by contract to assure that all household income is counted to determine eligibility for program services. Countable income must be equal to or below the program income limit (at or below 150% of the Federal Poverty Guidelines) in the month of application.
- 6) Subgrantee will, and will cause and require its Subrecipients by contract to provide program services only to eligible family households who are homeless. Targeting of funds to specific homeless subpopulations is allowed contingent upon meeting all program requirements and department approval.
- 7) Subgrantee will, and will cause and require its Subrecipients by contract to assure that program participant case plans are jointly developed and managed between staff and program participant. Coordination with local DHS branch offices is strongly encouraged including sharing of assessment and case plan documents to avoid unnecessary duplication of effort.
- 8) Subgrantee will, and will cause and require its Subrecipients by contract, to have denial, termination, appeal and fair hearing procedures accessible to program applicants and participants upon request. Such procedures must satisfy applicable program requirements including assurance that all applicants are informed during the intake interview of their right to an appeal. If a claim is denied, a written notice must minimally inform the applicant:
 - a) the reason for denial of assistance;
 - b) their right to provide additional information for re-evaluating their claim;
 - c) that they have 30 days from the date of the notice to ask for a hearing; and
 - d) other rights and responsibilities.
- 9) Subgrantee may terminate program services to program participants who violate program requirements. Termination, denial and grievance procedures will be clearly communicated to and easily understood by program participants and readily available upon request, or posted in a public location.
- 10) Subgrantee will, and will cause and require its Subrecipients by contract to be responsible for maintaining an internal controls framework, satisfactory to OHCS, which assures compliance with program requirements. For example, the following procedures should be established and outlined in local documentation (e.g. staff policy/procedure manuals):
 - a) Subgrantee will establish and maintain regular Subrecipient monitoring practices. Subgrantee will obtain prior written approval from OHCS when adding additional Subrecipients or renewing any Subrecipients.
 - b) Subgrantee will, and will cause and require its Subrecipients by contract to assure that completed applications and eligible family household benefits are valid and correct. This includes adequate separation of duties among intake, authorization and fiscal staff.
 - c) Subgrantee will, and will cause and require its Subrecipients by contract to maintain clear policy for cases where there may be a conflict of interest. This includes procedures for staff when employees, board members, friends or family members apply for program services.

- d) Subgrantee will, and will cause and require its Subrecipients by contract to maintain clear procedures for dealing with program applicants and participants who may have committed fraud and for dealing with public complaints regarding potential fraud. All incidents of fraud must be reported to OHCS.
 - e) Subgrantee will, and will cause and require its Subrecipients by contract to maintain clear procedures for preventing, detecting and dealing with employee fraud. All incidents of fraud must be reported to OHCS.
- 11) Subgrantee will, and will cause and require its Subrecipients by contract to assure that all necessary documentation is included in program participant files as satisfactory to OHCS. This includes, but is not limited to, documentation of homeless status, verification of income and TANF eligibility.
 - 12) Subgrantee will, and will cause and require its Subrecipients by contract to allow OHCS access to, or furnish, whatever information and/or documentation is necessary for OHCS to conduct reviews and monitor progress or performance to determine conformity with intended program purposes. Subgrantee will permit representatives of OHCS to visit its sites or Subrecipient sites, and to review and audit all records pertinent to program funding at any reasonable time, with or without benefit of prior notification.

4. Program Specific Reporting.

- A. Subgrantee will, and will cause and require its Subrecipients by contract to assure that data collection and reporting, including data entry for program funded activities, be conducted through the use of OHCS approved HMIS. Subgrantee will, and will cause and require its Subrecipients to assure that data collection, entry and reporting occur in an accurate and timely manner as satisfactory to OHCS.
- B. Subgrantee will, and will cause and will require its Subrecipients by contract to submit all reports as required in the Agreement including the "Homeless Quarterly Report", which is due twenty (20) days following the end of each quarter—October 20th, January 20th, April 20th and July 20th. Subgrantee may request a reporting deadline extension when necessary for department approval or disapproval.
- C. Subgrantee will provide additional reports as needed or requested by OHCS.

5. Maintenance of Effort Requirements.

- A. Subgrantee will make maintenance of effort contributions in compliance with 45 CFR 92.24, 92.3, 263.2 through 263.6 to supplement the program in an amount that equals Subgrantee's program fund allocation and in compliance with the following requirements:
 - 1) Subgrantee may obtain maintenance of effort cash contributions not otherwise counted towards a federal cost-sharing or matching requirement from any nonfederal source including state, local and private. State funds exclude funds expended under the Medicaid program, and funds from a prior fiscal year. Contributions must not have been used for any maintenance of effort for a previous program grant.
 - 2) Subgrantee may obtain maintenance of effort value of third party in-kind contributions if the expenditure is verifiable and meets applicable requirements in 45 CFR 92.3, 92.24 and 263; AND is not otherwise counted towards a federal cost-sharing or matching requirement. OHCS must approve the methodology used for in-kind valuation prior to including the value on the quarterly report. OHCS approval will include verifying with DHS that the valuation meets federal TANF maintenance of effort requirements.
 - 3) Subgrantee required maintenance of effort must be provided and expended within each quarter of the Subgrantee's program grant award year.
 - 4) Subgrantee maintenance of effort contributions will meet MOE requirements as defined in the program manual that are provided to households that meet program eligibility requirements except income

eligibility which can be 250% or less of the federal poverty line. MOE services must meet one or more of the following TANF purposes:

- Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; or
- Encourage the formation and maintenance of two-parent families.

6. Performance Measures.

A. Subgrantee will, and will cause and require its Subrecipients by contract to administer the program in a manner consistent with program requirements designed to achieve the following performance goals:

- 1) Increased housing stability as measured by the percentage of total program participants who reside in permanent housing at the time of exit from the program or project funded by the program. Preliminary statewide target is 30%.
- 2) Increased housing stability as measured by the percentage of program participants who reside in permanent housing (those counted in the above 30%) and maintain permanent housing for six months from time of program or project exit. Statewide target is 80%.

July 24, 2014

Board of County Commissioner
Clackamas County

Members of the Board:

Approval of Amendment No. 3 to a Subaward Agreement with
Providence Health & Services – Oregon dba Providence Portland Medical Center for
Intensive Transition Teams (ITT) Project Grant Funding

Purpose/Outcomes	Amendment No. 3 extends the grant award through June 30, 2015 and adds \$253,247 for housing support for members engaged in the Intensive Transition (ITT) program.
Dollar Amount and Fiscal Impact	The maximum value is increased by \$253,247 to a revised value of \$720,743. The subaward is funded by Providence Health and Services who were awarded a \$17.3 million Innovations Challenge grant from the Center for Medicaid and Medicare.
Funding Source	Providence Portland Medical Center subaward – no County general funds are involved.
Safety Impact	None
Duration	Effective July 1, 2014 and terminates on June 30, 2015
Previous Board Action	The original agreement was approved by the Board of County Commissioners on October 11, 2012 - agenda item 101112-A3. Amendment # 1 was approved by the Board of county Commissioners on September 12, 2013. Amendment # 2 was approved by the Board of county Commissioners on January 9, 2014.
Contact Person	Jill Archer, Director – Behavioral Health Division - 742-5336
Contract No.	BH-41-12/13

BACKGROUND:

The Behavioral Health Division requests the approval of the Health, Housing & Human Services Department requests the approval of amendment no. 3 to a subaward agreement with Providence Health and Service for Intensive Transition Teams (ITT) project grant funding.

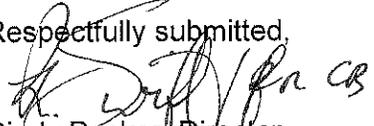
Providence Health & Services – Oregon was awarded a three year \$17.3 million Innovations Challenge grant from the Center for Medicaid and Medicare. Included within the grant is a program which links clients who are discharging from a psychiatric hospital to an outpatient behavioral health provider with the end goal of reducing future psychiatric hospitalizations. The grant is based on the premise that the multiple programs included within the grant will create up to \$32.5 million in savings of Medicaid expenses over the three years.

Amendment no. 3 extends the subaward for twelve months effective July 1, 2014 through June 30, 2015 and adds \$253,247. The amended contract value is \$720,740. The amendment is retroactive due to receiving it late from Providence.

RECOMMENDATION:

Staff recommends the Board approval of this amendment and authorizes Cindy Becker, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,


Cindy Becker, Director

AMENDMENT No. 3 TO SUBAWARD #CMMI-PROVIDENCE-CCHD-2012-01

This Amendment No. 3 to subaward CMMI-PROVIDENCE-CCHD-2012-01 ("Amendment") is between Providence Health and Services d/b/a Providence Portland Medical Center located at 4805 NE Glisan Street, Portland, OR 97213-2933 ("PH&S") and Clackamas County ("SUBAWARDEE") located at 2051 Kaen Road, Oregon City, OR 97045.

RECITALS

- A. Both parties entered into subaward CMMI-PROVIDENCE-CCHD-2012-01 dated 10/17/2012, to conduct a scope of work identified in Grant No. 1C1CMS330985 between Providence Portland Medical Center and The Centers for Medicare & Medicaid Services (CMS).
- B. PH&S is extending the performance period of the project and adding additional funding.

The parties agree as follows:

AGREEMENT

- 1. **Period of Performance** is amended to read in its entirety as follows:

The term of this SUBAWARD is from 7/1/2014 through 6/30/2015 (the "TERM").

- 2. **Budget** is amended by adding funding in the amount of \$253,247 as depicted in Attachment 1; therefore, total budget for the term may not exceed \$253,247.

As this is the last year of the award, carryover of unspent funds will not occur.

- 3. **Other Provisions.** The provisions of the subaward, which are not amended or deleted herein, remain unchanged and in full force and effect.

SUBAWARDEE:

PH&S:

By: Cindy Becker (date)
Its: Director, Health, Housing & Human Services Dept

By: Mary Healy (date)
Its: Director, Regional Research



6
LANE MILLER
MANAGER

PURCHASING DIVISION

Board of County Commissioner
Clackamas County

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

Members of the Board:

Approval to Purchase Twenty (20) 2014 V8 Dodge Charger LX Police
Patrol Vehicles from Withnell Motor Company

Purpose/Outcomes	Approval to Purchase Twenty (20) 2014 V8 Dodge Charger LX Police Patrol Vehicles, which are at the end of their useful lives in terms of safety, condition, maintenance costs and replacements are needed. The vehicles will be purchased in lots of five each, during the fiscal year.
Dollar Amount and Fiscal Impact	The cost for each vehicle is \$ 26,049.00. For a total cost of \$ 520,980.00
Funding Source	Funds for this purchase have been budgeted under Fleet Funds, FY 2014/2015 under line; 770-2321-00-485510.
Safety Impact	None
Duration	None
Previous Board Action	None
Contact Person	John Stockham @ 503-650-3222
Contract No.	ORCAP #0442

BACKGROUND:

The Clackamas County Fleet Department, requests approval to purchase twenty new 2014 Dodge Charger LX police patrol vehicles from Withnell Motor Company, utilizing the State of Oregon Cooperative Purchase Program (ORCAP) price agreement #0442.

These vehicles will replace vehicles that have over 120,000 miles on them and are at the end of their useful lives in terms of safety, condition, maintenance costs and replacements are needed.

The cost of one (1) V8 patrol vehicle is \$26,049.00. Total cost of the twenty (20) units is \$520,980.00. The vehicles will be purchased in lots of five each, during the fiscal year.

Funds for this contract have been budgeted under line 770-2321-00-485510 within the Fleet Department's current FY 14/15 budget. The Contractor was selected based upon the Oregon Cooperative Purchase Program (ORCPP) and is in compliance with LCRB Rule C046-0450 for Interstate Cooperative Procurements and County Purchasing Policies and Procedures.

Recommendation

Staff respectfully recommends that the Board give approval to the Fleet Department, to purchase twenty new 2014 Dodge Charger LX police patrol vehicles from Withnell Motor Company, utilizing the Oregon Cooperative Purchase Program (ORCPP) price agreement. Total purchase amount not to exceed \$ 520,980.00.

Respectfully Submitted,

Dan Nenow, C. P. M.
Purchasing Staff

Placed on the Agenda of July 24, 2014 by the Purchasing Division

Approval of Previous Business Meeting Minutes:

June 12, 2014

(minutes attached)

BOARD OF COUNTY COMMISSIONERS BUSINESS MEETING MINUTES

A complete video copy and packet including staff reports of this meeting can be viewed at

<http://www.clackamas.us/bcc/business.html>

Thursday, June 12, 2014 - 10:00 AM

Public Services Building

2051 Kaen Rd., Oregon City, OR 97045

**PRESENT: Commissioner John Ludlow, Chair
Commissioner Jim Bernard
Commissioner Paul Savas
Commissioner Martha Schrader
Commissioner Tootie Smith**

I. CALL TO ORDER

- Roll Call
- Pledge of Allegiance

II. CITIZEN COMMUNICATION

<http://www.clackamas.us/bcc/business.html>

1. Les Poole, Gladstone – spoke regarding Gladstone Library.
2. Susan Hanson, Molalla – spoke regarding recent conduct of Commissioner.

~Board Discussion~

3. Ely Crawford, Damascus – member of 4-H - spoke in support of and new barn at the Clackamas Fair Grounds.

~Board Discussion~

III. PREVIOUSLY APPROVED LAND USE ISSUE *(No public testimony on this item)*

1. Board Order No. **2014-46** Approving an Amendment to a Previously Approved Comprehensive Plan Map Amendment and Zone Change

Nathan Boderman, County Counsel presented the staff report.

Chair Ludlow asked for a motion.

MOTION:

Chair Ludlow: I move we approve the Board Order for a Comprehensive Plan Map Amendment and Zone Change for Bruce Goldson, Theta, LLC as previously approved at the March 12, 2014 Land Use Hearing.

Commissioner Bernard: Second.

~Board Discussion~

Commissioner Savas asked Mike McCallister to come up for some clarifying questions.

<http://www.clackamas.us/bcc/business.html>

Clerk calls the poll:

Commissioner Bernard: No.
Commissioner Smith: Aye.
Commissioner Schrader: No.
Commissioner Savas: Aye.
Chair Ludlow: Aye - the motion passes 3-2

IV. DISCUSSION ITEM

The Board recess as the Board of County Commissioners and convene as the North Clackamas Parks & Recreation District for the next item.

North Clackamas Parks & Recreation District

1. Board Order No. **2014-47** Approving the Withdrawal or Merger and Formation Proposal of a New Parks and Recreation District

Chris Storey, County Counsel and Gary Barth, NCPRD presented the staff report.

~Board Discussion~ comments and questions

<http://www.clackamas.us/bcc/business.html>

Chair Ludlow asked is anyone wished to speak.

1. Les Poole, Gladstone – stated the Governance part of this should be delayed.

Chair Ludlow asked for a motion.

MOTION:

Commissioner Bernard: I move we approve the Board Order for the Merger and Formation Proposal of forming a new Park and Recreation District under ORS 266.

Commissioner Smith: Second.

~Board Discussion~

<http://www.clackamas.us/bcc/business.html>

Don Krupp, County Administrator had a suggested motion to amend the Board Order with the following language added to the 2nd to the last paragraph:

It further appearing that this petition for formation of the New District is consistent with NCPRD's Master Plan recommendations and the District Advisory Board's recommendations, and reflects and opportunity to deliver improved parks and recreation services to all its residents in a balance and equitable manner including both growing and underserved areas;

Commissioner Bernard and Commissioner Smith stated they will amend their motion to for the added language.

Chair Ludlow asked the Clerk to call the poll on the motion to amend the proposed Board Order.

Clerk calls the poll:

Commissioner Smith: Aye.

Commissioner Schrader: Aye.

Commissioner Savas: Aye.

Commissioner Bernard: Aye.

Chair Ludlow: Aye - the motion passes 5-0

Chair Ludlow asked the Clerk to call the poll on the original motion as amended.

Clerk calls the poll:

Commissioner Schrader: Aye.

Commissioner Savas: Aye.

Commissioner Bernard: Aye.

Commissioner Smith: Aye.

Chair Ludlow: Aye - the motion passes 5-0

The Board adjourned as the North Clackamas Parks & Recreation District and reconvene as the Board of County Commissioners for the remainder of the meeting.

V. PUBLIC HEARINGS

1. Board Order No. **2014-48** for a Public Hearing to Initiate the Formation of an ORS 266 Parks and Recreation Service District and Merge with or Remove Territory from North Clackamas Parks & Recreation District (NCPRD)

Chris Storey, County Counsel and Gary Barth, NCPRD presented the staff report.

~Board Discussion~

Page 3 – Business Meeting Minutes – June 12, 2014

Chair Ludlow opened the public hearing and asked if anyone wished to speak.

1. Bill Bersie, Happy Valley – Chair of the North Clackamas Parks District Advisory Board – spoke in support of this issue.

MOTION:

Commissioner Bernard: I move we approve the Board Order to Initiate the Formation of an ORS 266 Parks and Recreation Service District and Merger with North Clackamas Parks and Recreation District.

Commissioner Smith: Second.

~Board Discussion~

Clerk calls the poll:

Commissioner Schrader: Aye.

Commissioner Savas: Aye.

Commissioner Smith: Aye.

Commissioner Bernard: Aye.

Chair Ludlow: Aye - the motion passes 5-0

MOTION:

Commissioner Savas: I would like to make a motion to direct staff to bring back a package and corresponding language that reflects the needs of the underserved communities for inclusion in the ballot summary.

Commissioner Schrader: Second.

~Board Discussion~ <http://www.clackamas.us/bcc/business.html>

MOTION:

Commissioner Smith: I call for the question.

Chair Ludlow: Second.

Clerk calls the poll for the call for the question.

Commissioner Bernard: Aye.

Commissioner Smith: Aye.

Commissioner Schrader: Aye.

Commissioner Savas: Aye.

Chair Ludlow: Aye - the motion passes 5-0

Clerk calls the poll for Commissioner Savas original motion:

Commissioner Savas: Aye.

Commissioner Bernard: No – with comments.

Commissioner Smith: No.

Commissioner Schrader: Aye.

Chair Ludlow: No - the motion fails 3-2

Commissioner Savas stated he did no vote on the last item.

Chair Ludlow rescind the last poll and asked the Clerk to call the poll again for Commissioner Savas's motion:

Commissioner Savas re-read his motion:

Commissioner Savas: Aye.

Commissioner Bernard: No – with comments again.

Commissioner Smith: No.

Commissioner Schrader: Aye.

Chair Ludlow: No - the motion fails 3-2

2. Resolution No. **2014-49** for a Clackamas County Supplemental Budget, Greater than 10% and Budget Reduction for Fiscal Year 2013-2014

Diane Padilla, Budget Manager presented the staff report.

Chair Ludlow opened the public hearing and asked if anyone wished to speak, seeing none he asked for a motion.

MOTION:

Commissioner Smith: I move we approve the Resolution approving a Clackamas County Supplemental Budget Greater than 10% and Budget Reductions for Fiscal Year 2013-2014.

Commissioner Schrader: Second.

Chair Ludlow stated Commissioner Savas has stepped away temporarily.

Clerk calls the poll:

Commissioner Bernard: Aye.

Commissioner Smith: Aye.

Commissioner Schrader: Aye.

Commissioner Bernard: Aye.

Chair Ludlow: Aye - the motion passes 4-0

VI. CONSENT AGENDA

Chair Ludlow asked the Clerk to read the Consent Agenda by title, he then asked for a motion.

MOTION:

Commissioner Schrader: I move we approve the Consent Agenda.

Commissioner Bernard: Second.

Clerk calls the poll:

Commissioner Smith: Aye.

Commissioner Schrader: Aye.

Commissioner Savas: Aye.

Commissioner Bernard: Aye.

Chair Ludlow: Aye - the motion passes 5-0

A. Health, Housing & Human Services

1. Approval of an Agency Service Contract with Alternative Services of Oregon, Inc. for Behavioral Consultation Services and Outpatient Mental Health Services – *Behavioral Health*
2. Approval of 2 HOME Loan Agreements with Ikoi So Terrace Renewal Limited Partnership – *Housing & Community Development*
3. Approval of a Change Order No. 2 with Housing & Community Development and JWC, LLC for the River Road Head Start, Kitchen Remodel Project - *Housing & Community Development*
4. Approval of a Construction Contract with Jim Smith Excavating for the NW Gladstone Infrastructure Improvements Project - *Housing & Community Development*
5. Approval of an Agreement with Tri-County Metropolitan Transportation District of Oregon for Operations and Capital for the Mt Hood Express Bus Service – *Social Services*

6. Approval of an Intergovernmental Agreement with Oregon Department of Transportation Rail and Public Transit Division for Operations for the Mt Hood Express Bus Service - *Social Services*

B. Department of Transportation & Development

1. Approval of Amendment No. 1 to Intergovernmental Agreement No. 29498 with Oregon Department of Transportation for the Clackamas County Active Transportation Plan

C. Finance Department

1. Approval of a Fiscal Year 2014-2015 Work and Financial Plan with United States Department of Agriculture, Animal and Plant Health Inspection Services and Wildlife Services for Predator Management (County Trapper)
2. Resolution No. **2014-50** for a Clackamas County Supplemental Budget Less than 10% for Fiscal Year 2013-2014
3. Resolution No. **2014-51** for Clackamas County for Budgeting of New Specific Purposed Revenue for Fiscal Year 2013-2014
4. Resolution No. **2014-52** for Clackamas County for Transfer of Appropriations for Fiscal Year 2013-2014

D. Elected Officials

1. Approval of Previous Business Meeting Minutes – *BCC*
2. Approval of an Intergovernmental Agreement between North Clackamas School District and Clackamas County Sheriff's Office for a School Resource Officer for 2013-2014 - *ccso*
3. Approval of an Intergovernmental Agreement between Colton School District and Clackamas County Sheriff's Office for a School Resource Officer for 2013-2014 - *ccso*

E. Community Corrections

1. Approval of Amendment No. 1 to Intergovernmental Agreement 4800 between Clackamas County and the State of Oregon, Department of Corrections for the 2014-2015 Grant-in-Aid Funding
2. Approval of Amendment No. 1 to Intergovernmental Agreement 4855 between Clackamas County and the State of Oregon, Department of Corrections for the Measure 57 Supplemental Funds

F. Department of Emergency Management

1. Approval of Fiscal Year 2011 State Homeland Security Grant Program Agreement between Clackamas County and the State of Oregon

G. County Counsel

1. Approval of Amendments to Intergovernmental Agreements with County related Entities for Purposes of Clarifying Certain Accounting Practices

VII. NORTH CLACKAMAS PARKS & RECREATION DISTRICT

1. Resolution No. **2014-53** Approval for Transfer of Appropriations for Fiscal Year 2013-2014

2. Approval of Amendment to the Memorandum of Understanding with the City of Damascus for the Construction of Trillium Creek Park
3. Approval of an Amendment to the Intergovernmental Agreement between North Clackamas Parks & Recreation District and Clackamas County for Purposes of Clarifying Certain Accounting Practices

VIII. DEVELOPMENT AGENCY

1. Resolution No. **2014-54** Declaring a Public Necessity and Propose for Acquisition of Rights-of-Way and Easement for the Monterey Avenue Extension Project and Authorizing Negotiations and Eminent Domain Action
2. Approval of a Cost Recovery Agreement with the United States Forest Service for an Environmental Assessment of the Skibowl Waterline Extension Project in Government Camp
3. Approval of Amendments to Intergovernmental Agreements between the Development Agency and Clackamas County for Purposes of Clarifying Certain Accounting Practices

IX. SERVICE DISTRICT NO. 5 (Street Lighting)

1. Resolution No. **2014-55** Authorizing the Transfer of Appropriations for Fiscal Year 2013-2014 for Clackamas County Service District No. 5
2. Approval of an Amendment to the Intergovernmental Agreement between Service District No. 5 and Clackamas County for Purposes of Clarifying Certain Accounting Practices

X. WATER ENVIRONMENT SERVICES

1. Approval of a 00500 Agreement between Clackamas County Service District No. 1 and Stettler Supply Company for the Kellogg Creek WPCP Aeration Basin Improvement Project.
2. Amendment No. 4 to the Agreement between Clackamas County Service District No.1 and the City of Johnson City for Wholesale Sanitary Sewer Services.
3. Approval of Amendments to the Intergovernmental Agreements between Clackamas County and Clackamas County Service District No. 1, Tri-City Service District and Surface Water Management of Clackamas County for Purposes of Clarifying Certain Accounting Practices

XI. ENHANCED LAW ENFORCEMENT DISTRICT

1. Approval of an Amendment to the Intergovernmental Agreement between the Enhanced Law Enforcement District and Clackamas County for Purposes of Clarifying Certain Accounting Practices

XII. COUNTY ADMINISTRATOR UPDATE

<http://www.clackamas.us/bcc/business.html>

XIII. COMMISSIONERS COMMUNICATION

<http://www.clackamas.us/bcc/business.html>

MEETING ADJOURNED – 12:04 PM



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John S. Foote, District Attorney for Clackamas County

Clackamas County Courthouse, 807 Main Street, Room 7, Oregon City, Oregon 97045
503 655-8431, FAX 503 650-8943, www.co.clackamas.or.us/da/

July 24, 2014

Board of County Commissioner
Clackamas County

Members of the Board:

Approval of
Local Grant Agreement between Clackamas County and The Children's Center of Clackamas County

Purpose/Outcomes	To benefit child abuse victims and their families by providing medical diagnosis and treatment recommendations within Clackamas County and provide law enforcement with necessary information to allow for prosecution.
Dollar Amount and Fiscal Impact	The County will receive \$778,299 from the State of Oregon for child abuse multidisciplinary intervention and \$341,000 of these funds will be passed through to the Children's Center. In addition, the District Attorney has appropriated \$55,000 in general funds from the 2014-2015 budget to be dedicated to the Children's Center.
Funding Source	State of Oregon and County General Fund
Safety Impact	The Children's Center is a partner in Clackamas County's response to child abuse. The Children's Center supports children and families in cases of suspected physical abuse, sexual abuse, neglect, drug endangerment and witness to violence.
Duration	Effective July 1, 2014 through June 30, 2015
Previous Board Action/Review	10/10/13: BCC approved contract for one year between Clackamas County and The Children's Center of Clackamas County
Contact Person	Sarah Brown, Administrative Services Manager for the District Attorney

BACKGROUND:

Oregon law (ORS 418.746-418.796) requires that every county utilize a multidisciplinary approach to child abuse intervention. In 1989, the law specified that every county create a multidisciplinary team (MDT) that is coordinated through each county's District Attorney's office. The legislature recognized then, as it does still today, that identifying and responding to child abuse is complicated and thus requires complex collaboration and consistent team work in order to address child abuse situations adequately.

Clackamas County has received funding from the State of Oregon for Child Abuse Multi-Disciplinary Intervention (CAMI) since at least 2005. CAMI funds are intended for the ongoing

support of community child abuse intervention centers (ORS 418.790 through 418.792) and for the development and maintenance of child abuse multidisciplinary teams (ORS 418.745 through 418.747).

The CAMI Program goal is to support a multidisciplinary approach to child abuse intervention. It is the intention of the CAMI Program that services are provided in a child friendly environment by professionals who are trained in risk assessment, the dynamics of child physical and sexual abuse and neglect, legally sound and age appropriate interviewing, and age appropriate investigatory techniques. Services include assessment, advocacy, and treatment to children who are victims or alleged victims of child abuse (CAMI Grant Handbook, 2013).

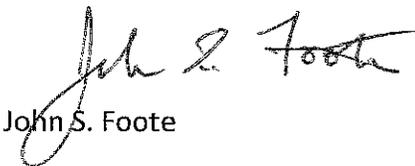
The Clackamas County CAMI MDT designated the Clackamas County Children's Center as the provider of the services outlined above. In addition to the services listed above, the Children's Center also provides mental health crisis intervention and referral, support, education, and case management for families in Clackamas County struggling with issues of abuse or neglect.

Children are referred to the Clackamas County Children's Center from law enforcement agencies, child protective workers, parents, teachers, doctors, and others concerned for the welfare of the child. The Children's Center also provides law enforcement and prosecution with necessary information to proceed with prosecution and ensures that staff will be available to appear in judicial proceedings.

RECOMMENDATION:

I respectfully recommend that the Board approve the attached Local Grant Agreement between Clackamas County and the Children's Center of Clackamas County as submitted.

Respectfully submitted,



John S. Foote

CLACKAMAS COUNTY, OREGON		
LOCAL GRANT AGREEMENT: CAMI-MDT-2013-ClackamasCo.DAVAP-00008		
Project Name: Clackamas County CAMI MDT		
Project Number: To Be Assigned by Finance		
This Agreement is between Clackamas County, Oregon, acting by and through its Office of the District Attorney and The Children's Center of Clackamas County (RECIPIENT).		
RECIPIENT Data	Clackamas County Data	
Program Administrator: Barbara Peschiera Executive Director	Grant Accountant: Larry Crumbaker	Project Officer: Joan Radonich
Children's Center 1713 Penn Lane Oregon City, OR 97045 Phone: 503-655-7725 Email: barbara@childrenscenter.cc	Clackamas County--Finance 2051 Kaen Road Oregon City, OR 97045 Phone: 503-742-5429 Email: LarryCru@comcast.net	Clackamas County-- District Attorney 807 Main Street Oregon City, OR 97045 Phone: 503-655-8431 Email: jprc5@comcast.net
FEIN: 75-3027143		

RECITALS

1. Oregon law (ORS 418.746-418.796) requires that every county utilize a multidisciplinary approach to child abuse intervention. In 1989, the law specified that every county create a multidisciplinary team (MDT) that is coordinated through each county's District Attorney's office. The legislature recognized then, as it does still today, that identifying and responding to child abuse is complicated and thus requires complex collaboration and consistent team work in order to address child abuse situations adequately.
2. In 1993, the Oregon Legislature established the Child Abuse Multidisciplinary Intervention (CAMI) Program. The CAMI Program provides funding to counties for the development and ongoing support of community child abuse intervention centers (ORS 418.790 through 418.792), and for the development and maintenance of child abuse multidisciplinary teams (ORS 418.746 through 418.747). CAMI Program grant funds come from the Criminal Fines and Assessment Account Public Safety Fund (CFAA). CFAA funds come from fines assessed on persons convicted of a crime, violation, or infraction by justice, municipal, district, circuit and juvenile courts.
3. Clackamas County (COUNTY) desires to have the RECIPIENT administer the CAMI and COUNTY to funds for the assessment, advocacy, and treatment related to child abuse intervention.
4. This Local Grant Agreement of financial assistance sets forth the terms and conditions pursuant to which RECIPIENT agrees on delivery of the Program.

NOW THEREFORE, according to the terms of this Local Grant Agreement the COUNTY and RECIPIENT agree as follows:

AGREEMENT

1. **Term and Effective Date.** This Agreement shall be effective as of the **July 1, 2014** and shall expire on **June 30, 2015**, unless sooner terminated or extended pursuant to the terms hereof.
2. **Program.** The Program is described in Attached Exhibit A: RECIPIENT Statement of Program Objectives. RECIPIENT agrees to perform the Project in accordance with the terms and conditions of this Agreement.
3. **Standards of Performance.** RECIPIENT shall perform all activities and programs in accordance with the requirements set forth in this Agreement and all applicable laws and regulations. Furthermore, RECIPIENT shall comply with the requirements of the Oregon Department of Justice's Child Abuse Multidisciplinary Intervention Intergovernmental Grant Agreement 2014-2015, that is the source of the grant funding, in addition to compliance with the statutory requirements stated in ORS 418.746-418.796.
4. **Grant Funds.** The COUNTY's funding for this Agreement is the **CAMI-MDT-2013-ClackamasCo.DAVAP-00008** issued to the COUNTY by the State of Oregon through its Department of Oregon Department of Justice, in the amount of \$341,000. The balance of the agreement, \$55,000, is from COUNTY general funds, to be used for the purposes approved in Exhibit B. The maximum, not to exceed, grant amount that the COUNTY will pay is **\$341,000** and COUNTY general fund amount of **\$55,000**.

This is a cost reimbursement grant and disbursements will be made in accordance with the schedule and requirements contained in Exhibit D: Required Financial Reporting and Reimbursement Request and Exhibit E: Monthly/Quarterly/Final Performance Report. Failure to comply with the terms of this Agreement may result in withholding of payment.

5. **Amendments.** The terms of this Agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by both parties. **RECIPIENT must submit a written request including a justification for any amendment to the COUNTY in writing at least thirty (30) calendar days before this Agreement expires.** No payment will be made for any services performed before the beginning date or after the expiration date of this Agreement. If the maximum compensation amount is increased by amendment, the amendment must be fully effective before RECIPIENT performs work subject to the amendment.
6. **Termination.** This Agreement may be terminated by the mutual consent of both parties or by a party upon written notice from one to the other. This notice may be transmitted in person, by mail, facsimile, or by Email.
7. **Funds Available and Authorized.** The COUNTY certifies that it has sufficient funds currently authorized for expenditure to finance the costs of this Agreement within the current fiscal year budget. RECIPIENT understands and agrees that payment of amounts under this Agreement is contingent on the COUNTY receiving appropriations or other expenditure authority sufficient to allow the COUNTY, in the exercise of its reasonable administrative discretion, to continue to make payments under this Agreement.
8. **Future Support.** COUNTY makes no commitment of future support and assumes no obligation for future support for the activity contracted herein except as set forth in this agreement.
9. **Administrative Requirements.** RECIPIENT agrees to its status as a RECIPIENT, and accepts among its duties and responsibilities the following:
 - a) **Financial Management.** The RECIPIENT shall comply with Generally Accepted Accounting Principles (GAAP) or another equally accepted basis of accounting, use adequate internal controls, and maintain necessary sources documentation for all costs incurred.

- b) **Budget.** The RECIPIENT use of funds may not exceed the amounts specified in the Exhibit B: RECIPIENT PROGRAM BUDGET. The RECIPIENT may not transfer grant funds between budget lines with the prior written approval of the COUNTY. At no time may budget modification change the scope of the original grant application or agreement.
- c) **Allowable Uses of Funds.** RECIPIENT acknowledges the following as allowable uses of funds: OAR 137-082-0220 (2) states that CAMI funds may be used for Assessment Services, Advocacy Services, Treatment Services, and Eligible Expenses. In accordance with ORS 418.746 (2) the RECIPIENT shall not use the grant funds to replace funds previously allocated by the RECIPIENT for child abuse intervention. Additional guidance can be found at on allowable and unallowable costs are provided in the CAMI grant management handbook. http://www.doj.state.or.us/victims/pdf/cami_grant_management_handbook.pdf
- d) **Period of Availability.** RECIPIENT may charge to the award only allowable costs resulting from obligations incurred during the funding period. Cost incurred prior to this date will be disallowed.
- e) **Match.** Matching funds are not required for this Agreement.
- f) **Payment.** The RECIPIENT must submit a final request for payment no later than fifteen (15) days after the end date of this Agreement. Routine requests for reimbursement should be submitted as specified in Exhibit D. COUNTY shall not be responsible for payment of any materials, expenses, or costs other than those specifically approved in Exhibit B: RECIPIENT PROGRAM BUDGET. RECIPIENT must be in compliance with all reporting requirements to be eligible for payment.
- g) **Performance Reporting.** The RECIPIENT must submit Performance Reports as specified in Exhibit E for each period (monthly, quarterly, and final) during the term of this Agreement.
- h) **Lobbying.** The RECIPIENT agrees that no portion of the grant funds will be used to engage in lobbying of the Federal, State, or County Government or in litigation against the United States unless authorized under existing law. In addition, the RECIPIENT certifies that it is a nonprofit organization described in Section 501(c) (4) of the Code, but does not and will not engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act.
- i) **Audit.** The RECIPIENT shall comply with the audit requirements prescribed by State and Federal law. RECIPIENT expenditures of \$500,000 or more in Federal funds require an annual Single Audit, in accordance with *OMB Circular A-133*. RECIPIENT is required to hire an independent auditor qualified to conduct such audits and submit the audit reports to the COUNTY within 9 months from the RECIPIENT'S fiscal year end or 30 days after issuance of the reports, whichever is sooner.
- j) **Monitoring.** The RECIPIENT agrees to allow access to conduct site visits and inspections of financial records for the purpose of monitoring. The COUNTY, the State government, and their duly authorized representatives shall have access to such financial records and other books, documents, papers, plans, records of shipments and payments and writings of RECIPIENT that are pertinent to this Agreement, whether in paper, electronic or other form, to perform examinations and audits and make excerpts and transcripts. Monitoring may be performed onsite or offsite, at the COUNTY's discretion.
- k) **Record Retention.** The RECIPIENT will retain and keep accessible all such financial records, books, documents, papers, plans, records of shipments and payments and writings for a minimum of seven (7) years, or such longer period as may be required by applicable law, following final payment and termination of this Agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to this Agreement, whichever date is later.

- l) **Failure to Comply.** RECIPIENT acknowledges and agrees that this agreement and the terms and conditions therein are essential terms in allowing the relationship between COUNTY and RECIPIENT to continue, and that failure to comply with such terms and conditions represents a material breach of the original contract and this agreement. Such material breach shall give rise to the COUNTY's right, but not obligation, to withhold RECIPIENT grant funds until compliance is met or to terminate this relationship including the original contract and all associated amendments.
- m) **Criminal History Verification.** RECIPIENT shall obtain a criminal history record check on any employee, potential employee, contractor, or volunteer working with victims of crime. The criminal record check should be sufficient to indicate convictions of child abuse, offenses against persons, sexual offenses, child neglect, or any other offense bearing a substantial relation to the qualifications, functions or duties of an individual who may work with victims of crime.

Accordingly, the RECIPIENT shall develop policies and procedures to review criminal arrests or convictions of employees, potential employees, contractors, and volunteers. The review will encompass: the severity and nature of the crime, the number of offenses, the time elapsed since occurrence, the circumstances surrounding the crime, the individual's participation in counseling, therapy, education or employment evidencing rehabilitation or a change in behavior, and the police report confirming the individual's explanation of the crime. Based on the information received, the RECIPIENT shall determine if the employee, potential employee, contractor, or volunteer has been convicted of one of the crimes in this Section and whether based upon the conviction, the individual poses a risk to working safely with victims of crime. If the RECIPIENT chooses to hire or retain the said individual, the RECIPIENT shall confirm the reasons in writing and place this along with all background checks and related information in the personnel file for permanent retention. Justifications to hire or retain shall address how the individual is presently suitable or able to work with victims of crime in a safe and trustworthy manner.

- n) **Confidentiality.** RECIPIENT expressly agrees to comply with ORS 418.795 (1) and will follow all confidentiality requirements when working with victims of crime.

10. Compliance with Applicable Laws

- a) **Public Policy.** The RECIPIENT expressly agrees to comply with all public policy requirements, laws, regulations, and executive orders issued by the Federal government, to the extent they are applicable to the Agreement: (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) Executive Order 11246, as amended; (v) the Health Insurance Portability and Accountability Act of 1996; (vi) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (vii) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (viii) all regulations and administrative rules established pursuant to the foregoing laws; and (ix) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations as applicable to RECIPIENT.
- b) **State Statutes.** RECIPIENT expressly agrees to comply with all statutory requirements, laws, rules, and regulations issued by the State of Oregon, to the extent they are applicable to the agreement. The RECIPIENT shall comply with the terms of the Grant Management Handbook available at http://www.doj.state.or.us/victims/pdf/cami_grant_management_handbook.pdf and incorporated herein.
- c) **Conflict Resolution.** If conflicts are discovered among federal, state and local statutes, regulations, administrative rules, executive orders, ordinances and other laws applicable to the Services under the Agreement, RECIPIENT shall in writing request County to resolve the conflict. RECIPIENT shall specify if the conflict(s) create a problem for the design or other Services required under the Agreement.

11. State Procurement Standards

- a) All procurement transactions, whether negotiated or competitively bid and without regard to dollar value, shall be conducted in a manner so as to provide maximum open and free competition. All sole-source procurements in excess of \$100,000 must receive prior written approval from County in addition to any other approvals required by law applicable to the RECIPIENT. Justification for sole-source procurement in excess of \$100,000 should include a description of the project and what is being contracted for, an explanation of why it is necessary to contract noncompetitively, time constraints and any other pertinent information. Interagency agreements between units of government are excluded from this provision.
- b) County's performance under the Agreement is conditioned upon RECIPIENT's compliance with, and RECIPIENT shall comply with, the obligations applicable to public contracts under ORS 279C.520 and 279C.530, which are incorporated by reference herein
- c) The RECIPIENT shall be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Contractors that develop or draft specifications, requirements, statements of work, and/or Requests for Proposals (RFP) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement. Any request for exemption must be submitted in writing to County.
- d) The RECIPIENT agrees that, to the extent they use contractors or subcontractors, such recipients shall use small, minority, women-owned or disadvantaged business concerns and contractors or subcontractors to the extent practicable.

12. General Agreement Provisions.

- a) **Indemnification.** RECIPIENT agrees to indemnify and hold COUNTY harmless with respect to any claim, cause, damage, action, penalty or other cost (including attorney's and expert fees) arising from or related to RECIPIENT's negligent or willful acts or those of its employees, agents or those under RECIPIENT's control. RECIPIENT is responsible for the actions of its own agents and employees, and COUNTY assumes no liability or responsibility with respect to RECIPIENT's actions, employees, agents or otherwise with respect to those under its control.
- b) **Insurance.** During the term of this agreement, RECIPIENT shall maintain in force, at its own expense, each insurance noted below:
 - 1) **Commercial General Liability.** RECIPIENT shall obtain, at RECIPIENT's expense, and keep in effect during the term of this agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$1,000,000 per occurrence/ \$2,000,000 general aggregate for the protection of COUNTY, its officers, commissioners, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute to it.
 - 2) **Commercial Automobile Liability.** If the Agreement involves the use of vehicles, RECIPIENT shall obtain at RECIPIENT expense, and keep in effect during the term of this agreement, Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$1,000,000.
 - 3) **Professional Liability.** If the Agreement involves the provision of professional services, RECIPIENT shall obtain and furnish the COUNTY evidence of Professional Liability Insurance in the amount of not less than \$1,000,000 combined single limit per

occurrence/\$2,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of the COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this agreement. COUNTY, at its option, may require a complete copy of the above policy.

- 4) **Additional Insured Provisions.** All required insurance, other than Professional Liability, Workers' Compensation, and Personal Automobile Liability and Pollution Liability Insurance, shall include "Clackamas County, its agents, officers, and employees" as an additional insured.
 - 5) **Notice of Cancellation.** There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice to the COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 day notice of cancellation provision shall be physically endorsed on to the policy.
 - 6) **Insurance Carrier Rating.** Coverage provided by RECIPIENT must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.
 - 7) **Certificates of Insurance.** As evidence of the insurance coverage required by this agreement, RECIPIENT shall furnish a Certificate of Insurance to COUNTY. No agreement shall be in effect until the required certificates have been received, approved, and accepted by COUNTY. The certificate will specify that all insurance-related provisions within the agreement have been compiled with. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiration.
 - 8) **Primary Coverage Clarification.** RECIPIENT coverage will be primary in the event of a loss.
 - 9) **Cross-Liability Clause.** A cross-liability clause or separation of insured's condition will be included in all general liability, professional liability, and errors and omissions policies required by the agreement.
- c) **Assignment.** RECIPIENT shall not enter into any subcontracts for any of the Program activities required by the Agreement without prior written approval. This Agreement may not be assigned in whole or in part with the express written approval of the COUNTY.
 - d) **Independent Status.** RECIPIENT is independent of the COUNTY and will be responsible for any federal, state, or local taxes and fees applicable to payments hereunder. RECIPIENT is not an agent of the COUNTY and undertakes this work independent from the control and direction of the COUNTY excepting as set forth herein. RECIPIENT shall not seek or have the power to bind the COUNTY in any transaction or activity.
 - e) **Notices.** Any notice provided for under this Agreement shall be effective if in writing and (1) delivered personally to the addressee or deposited in the United States mail, postage paid, certified mail, return receipt requested, (2) sent by overnight or commercial air courier (such as Federal Express), (3) sent by facsimile transmission, with the original to follow by regular mail; or, (4) sent by electronic mail with confirming record of delivery confirmation through electronic mail return-receipt, or by confirmation that the electronic mail was accessed, downloaded, or printed. Notice will be deemed to have been adequately given three days following the date of mailing, or

immediately if personally served. For service by facsimile or by electronic mail, service will be deemed effective at the beginning of the next working day.

- f) **Governing Law.** This Agreement is made in the State of Oregon, and shall be governed by and construed in accordance with the laws of that state. Any litigation between the COUNTY and RECIPIENT arising under this Agreement or out of work performed under this Agreement shall occur, if in the state courts, in the Clackamas County court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the State of Oregon.
- g) **Severability.** If any provision of this Agreement is found to be illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the provision shall be stricken.
- h) **Counterparts.** This Agreement may be executed in any number of counterparts, all of which together will constitute one and the same agreement. Facsimile copy or electronic signatures shall be valid as original signatures.
- i) **Third Party Beneficiaries.** Except as expressly provided in this Agreement, there are no third party beneficiaries to this Agreement. The terms and conditions of this Agreement may only be enforced by the parties.
- j) **Binding Effect.** This Agreement shall be binding on all parties hereto, their heirs, administrators, executors, successors and assigns.
- k) **Integration.** This agreement contains the entire agreement between COUNTY and RECIPIENT and supersedes all prior written or oral discussions or agreements.

(Signature Page Attached)

SIGNATURE PAGE TO PARTICIPATION AGREEMENT
(CLACKAMAS COUNTY)

AGREED as of the Effective Date.

CLACKAMAS COUNTY, OREGON

Children's Center

By: _____
Chair

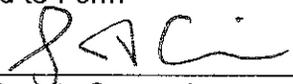
By: _____
Barbara Peschiera, Executive Director

By: _____
Recording Secretary

Dated: _____

Dated: _____

Approved to Form

By:  _____
County Counsel

- Exhibit A: RECIPIENT Statement of Program Objectives
- Exhibit B: RECIPIENT Program Budget
- Exhibit C: Lobbying and Litigation Certificate
- Exhibit D: Required Financial Reporting and Reimbursement Request
- Exhibit E: Monthly/Quarterly/Final Performance Report

CLACKAMAS COUNTY AND CHILDREN'S CENTER OF CLACKAMAS COUNTY LOCAL GRANT AGREEMENT

EXHIBIT A: RECIPIENT Statement of Program Objectives

PROJECT NAME: Clackamas County CAMI MDT	AGREEMENT #: CAMI-MDT-2013-ClackamasCo.DAVAP-00008
RECIPIENT: CHILDREN'S CENTER	

BACKGROUND Clackamas County receives \$341,000 from State of Oregon for Child Abuse Multi-Disciplinary Intervention (CAMI). These funds are directed by the Clackamas County CAMI MDT to Children's Center, the county's designated medical provider for child abuse, who responds to all child abuse referrals from Clackamas County agencies, mandatory reporters and families.

Children's Center is a partner in Clackamas County's response to child abuse, intervention, prevention and prosecution. Children's Center provides complete medical assessments, including complete physical examinations and videotaped interviews by trained professionals, to children suspected to be victims of abuse or neglect. Children are referred to Children's Center from law enforcement agencies, child protective workers, parents, teachers, doctors and others concerned for the welfare of the child. Children's Centers also provides law enforcement and prosecution with necessary information to proceed with prosecution and ensures that staff will be available to appear in judicial proceedings. Children's Center also provides mental health crisis intervention and referral, support, and education for families in Clackamas County struggling with issues of abuse or neglect.

Children's Center's program is comprised of the following:

Children's Center is a medical evaluation center for children suspected to be victims of abuse or neglect. Children are referred to the Center from law enforcement agencies, child protective workers, parents, teachers, doctors and others concerned for the welfare of a child.

Forensic Medical Assessments

Comprehensive head-to-toe exam to determine and document a child's health and safety by Medical Examiners trained in diagnosing child abuse and neglect. Medical exams provided for children identified under Karly's Law. Oregon state law requires investigative agencies to seek a medical evaluation within 48 hours for children who are found to have suspicious physical injuries. Drug screening for children endangered by exposure to drug use, distribution, or manufacturing. Screenings include urinalysis and hair testing.

Forensic Interviewing Services

Videotaped forensic interviews with Child Interviewers specially trained to talk to children of all ages and developmental levels. Child Interviewers work with the Medical Examiners as part of the medical evaluation.

Family Support

Support, referrals, and education for families in Clackamas County struggling with issues of abuse or neglect. These services are offered to non-offending family members of children receiving evaluations at Children's Center as well as families in the community.

Community Outreach & Education

Trainings, presentations and resources for local professional and community groups.

Medical Record Reviews

Review medical records and make recommendations for treatment or follow-up in cases of medical neglect, medical child abuse, and Karly's Law.

Non-Offending Caregiver Support Groups

Support groups for non-offending caregivers of children who have been sexually abused.

CLACKAMAS COUNTY AND CHILDREN'S CENTER OF CLACKAMAS COUNTY LOCAL GRANT AGREEMENT

EXHIBIT A: RECIPIENT Statement of Program Objectives

Response to Inappropriately Sexualized Kids (RISK) Outreach

RISK was established by the Clackamas County Multi-Disciplinary Team to provide support, education, resources and intervention to children under the age of 12 who are demonstrating sexually inappropriate behavior. The goal is to address the behaviors before they escalate and/or to prevent juvenile justice involvement.

Goals:

Children's Center Goals, Objectives, Outcomes FY 2014-2015

1. **Goal:** Provide high quality and comprehensive medical assessments and support services for Clackamas County children suspected to be victims of abuse as part of a coordinated response from Clackamas County's MDT partners.

2.Objectives	3. Activities	4. Target Outputs	5. Output Number	6. Outcomes
1. Solicit feedback from patients and families	Administer satisfaction surveys to families served	90% of families are satisfied with services		
2. Solicit feedback from MDT partners	Administer satisfaction surveys to partners who attend evaluations	90% of partners are satisfied with overall services		
3. Staff providing services to families will be well trained	Provide opportunities to staff to access relevant training	90% of staff providing services to families will attend relevant trainings		

2. **Goal:** RISK Outreach

Provide a coordinated approach to child abuse assessment and intervention that will be conducted efficiently and professionally with a focus on the safety of children to and to provide follow-up services and outreach for children, families and other community agencies.

2. Objectives	3. Activities	4. Target Outputs	5. Output Number	6. Outcomes
1. Provide outreach, intervention and follow-up to RISK referrals	Initiate contact with families and provide education, support & referrals.	Provide outreach and resources to @ 50 families.		
2. Provide outreach, resources and education to local school districts, day care providers, etc.	Initiate or follow-up on school requests or identified agencies in need of training or resources	Provide 2-5 outreach training/resources to school districts, day care providers, law enforcement or other mandatory reporters.		
3. Coordinate with RISK Team members in providing services to	Attend all monthly RISK meetings. Coordinate with	Monthly reports of status/outcomes of cases referred to		

CLACKAMAS COUNTY AND CHILDREN'S CENTER OF CLACKAMAS COUNTY LOCAL GRANT AGREEMENT

EXHIBIT A: RECIPIENT Statement of Program Objectives

families.	community agencies as needed.	RISK Outreach. Quarterly reports documenting number of contacts, type of referral & outcomes.		
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PROJECT

Clackamas County commitment entails:

Oregon law (ORS 418.746-418.796) requires that every county utilize a multidisciplinary approach to child abuse intervention. In 1989, the law specified that every county create a multidisciplinary team (MDT) that is coordinated through each county's District Attorney's office. (Grant Handbook, page 5)

The Clackamas County District Attorney's Office will manage CAMI funds¹ and assign a senior deputy district attorney (DDA) to chair the MDT. The DDA will ensure that local support is maintained and conflicts are resolved appropriately. He or she will be responsible for ensuring that protocols are in place and MDT partner agencies adhere to the protocols to the greatest extent possible. (Grant Handbook, page 32)

¹ Spending authority remains with the MDT and is strictly tied to the agreed grant budget.(Grant Handbook, page 15)

CLACKAMAS COUNTY AND CHILDREN'S CENTER OF CLACKAMAS COUNTY LOCAL GRANT AGREEMENT

EXHIBIT B: RECIPIENT PROGRAM BUDGET

CLACKAMAS COUNTY AND CHILDREN'S CENTER OF CLACKAMAS COUNTY LOCAL GRANT AGREEMENT

EXHIBIT C: LOBBYING CERTIFICATE

Lobbying Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with awarding of any Federal, State, or Locally funded contract, the making of any grant, the making of any loan, the entering into of any cooperative agreement, and the extension continuation, renewal, amendment, or modification of any contract, grant, loan, or cooperative agreement.

- (2) If any funds other than appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this local grant agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Children's Center of Clackamas County

Children's Center CAMI-MDT-2013-
ClackamasCo.DAVAP-00008

Organization Name

Award Number or Project Name

Barbara Peschiera, Executive Director

Name and Title of Authorized Representative

Signature

Date

CLACKAMAS COUNTY AND CHILDREN'S CENTER OF CLACKAMAS COUNTY LOCAL GRANT AGREEMENT

EXHIBIT D: REQUIRED FINANCIAL REPORTING AND REIMBURSEMENT REQUEST

INVOICING

1. Recipient may submit multiple requests for cost reimbursement but **reimbursement requests must be submitted no less frequently than quarterly**. The invoices must describe all work performed with particularity, including by whom it was performed, and must itemize and explain all expenses for which reimbursement is claimed. Invoices must be submitted with the Agreement Expenditures Report (see attached).
2. **Invoices for reimbursement of expenses occurring in a County fiscal year (July 1 - June 30) must be received no later than the following July 15th. In addition, for quarterly reporting purposes, monthly invoices need to be received no later than 15 days after the end of the month.**
3. Payments will be based on reimbursement of actual costs authorized by this Agreement. Supporting documentation must be retained for expenses for which reimbursement is claimed and for all match expenses reported. Documentation required includes personal service cost detail, services and supplies cost detail, copies of paid contract and equipment invoices and receipts for lodging, airfare, car rental and conference registration. This documentation should be readily available, upon request or site visit.
4. Invoices must be sent to **Clackamas County District Attorney's, Attn: Larry Crumbaker** 2051 Kaen Road, Oregon City, OR 97045 or by email at LarryCru@co.clackamas.or.us. Invoices are subject to the review and approval of the MDT Coordinator and Grant Accountant. Payment is contingent on compliance with all terms and conditions of this Agreement, including reporting requirements.

CLACKAMAS COUNTY AND CHILDREN'S CENTER OF CLACKAMAS COUNTY LOCAL GRANT AGREEMENT

EXHIBIT D: REQUIRED FINANCIAL REPORTING AND REIMBURSEMENT REQUEST

PROJECT NAME: Clackamas County CAMI MDT	AGREEMENT PERIOD	
GRANT AGREEMENT NUMBER: CAMI-MDT-2013-ClackamasCo.DAVAP-00008	From: 07/01/2014	To: 06/30/2015
NAME/ADDRESS/PHONE NUMBER OF RECIPIENT: Children's Center of Clackamas County 1713 Penn Lane Oregon City OR 97045 Phone: 503-655-7725 Fax: 503-655-7220 Email: office@childrenscenter.cc	CURRENT EXPENDITURE PERIOD:	
	TOTAL MATCH REQUIREMENT: \$0	
	TOTAL GRANT AMOUNT: \$341,000	

EXPENDITURE SUMMARY	Grant Expenditures		
	a	b	a + b = c
	Previously Reported	Current Period	Cumulative to Date
RISK Outreach - Wages & Fringe			
Child Abuse Services/Grant			
Child Abuse Services/County Funds			
Total			

Clackamas County and the State government retain the right to inspect all financial records and other books, documents, papers, plans, records of shipments and payments and writings of Recipient that are pertinent to this Agreement.

CERTIFICATION		
I certify that this report is true and correct to the best of my knowledge and that all expenditures reported have been made in accordance with the budget and other provisions contained in the Agreement.		
Signature _____	Title _____	Date _____

**CLACKAMAS COUNTY AND CHILDREN'S CENTER OF CLACKAMAS COUNTY LOCAL GRANT
AGREEMENT**

EXHIBIT E: MONTHLY/QUARTERLY/FINAL PERFORMANCE REPORT

REPORTING

1. The Recipient must submit Performance Report, to the MDT Coordinator, two times per year. Reports will be due no later than 15 days after the end of the six month reporting period:

January 15, 2015 for the time frame 7/1/14 – 12/31/14

July 15, 2015 for the time frame 1/1/15 – 6/30/15

- (a) Statistical report to include:

- a) *Number of children referred and seen for medical assessments*

- b) *Number of children referred and seen for advocacy services (protective, intervention, prevention)*

- c) *Number of children referred and seen for treatment services (protective, intervention, prevention)*

- (b) *Progress Report to include:*

- a) *Goals, objectives, and outcomes*

2. The Recipient must submit a Final Performance Report no later than July 15, 2015. All reports must be submitted in a format similar to the example below. The reports may be provided electronically. Reports must contain a discussion on each of the following:
 - A comparison of actual accomplishments to the outputs /outcomes established in the Program description above for the period. The Final Performance Report should cover the entire program period.
 - The reasons established outputs/outcomes were not met.
 - Other pertinent information on the progress of the Project.

In addition to the Annual Performance Reports, the Recipient must notify Clackamas County Project Officer of developments that have a significant impact on the grant supported activities. The Recipient must inform Clackamas County Project Officer as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified above. This notification shall include a statement of the action taken or contemplated and any assistance needed to resolve the situation.



9

ELLEN CRAWFORD
DIRECTOR

JUVENILE DEPARTMENT

JUVENILE INTAKE AND ASSESSMENT CENTER

2121 KAEN ROAD | OREGON CITY, OR 97045

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Personal Services Contract with Parrott Creek Child and Family Services to
Provide Diversion Panel Services

Purpose/Outcomes	Provide Diversion Panel Services for local cities
Dollar Amount and Fiscal Impact	The maximum contract value is \$155,005.
Funding Source	JCP Prevention and General Fund
Safety Impact	Low risk/low level first time offenders are sent to Diversion Panels within their city of residence. This allows the youth to give back to his/her city. Diversion Panels are an important first step in our continuum of service levels holding youth accountable for their behavior. Each city contributes an amount toward the maintenance of their panel based on the referral rate to that panel in the previous fiscal year.
Duration	Effective July 1, 2014 and terminates on June 30, 2015 with the option to renew for up to four additional one year terms.
Previous Board Action	None
Contact Person	Ellen Crawford, Director – Juvenile Department – 503-650-3171
Contract No.	N/A

BACKGROUND:

Youth offenders charged with violations and Class A, B, and C misdemeanors are diverted to area diversion panels for disposition. For the past 11 years, the County has contracted with 11 cities throughout the County to conduct the diversion panels which are administered by two private non-profit agencies. To simplify administration of the service, contracting will be directly with two private non-profit agencies to provide the same services in the same cities. Parrott Creek Child and Family Services will provide diversion panels in six cities, plus two diversion panels for Latino youth, for FY 2014-15 for \$155,005.

Parrott Creek Child and Family Services is one of the two original providers of this service since its inception.

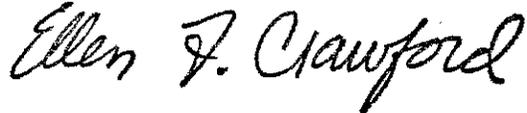
This contract is one of two the County maintains to provide Diversion Panel services. The other contract is with Todos Juntos. Both providers have been selected through a Request for Qualifications process.

County Counsel has reviewed this contract.

RECOMMENDATION:

Staff recommends the Board approval of the contract with Parrott Creek Child and Family Services to Provide Diversion Panel Services.

Respectfully submitted,



Ellen Crawford, Director
Juvenile Department

Placed on the Agenda of July 24, 2014 by the Purchasing
Division



LANE MILLER
MANAGER

PURCHASING DIVISION

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

July 24, 2014

MEMORANDUM TO THE BOARD OF COUNTY COMMISSIONERS

Please place on the Board Agenda of July 24, 2014, approval of a contract with Parrott Creek Child and Family Services to provide Diversion Panel Services for the Juvenile Department. This contract was requested by Ellen Crawford, Director of the Juvenile Department.

A Request for Qualifications was issued April 30, 2014. At the time of closing on May 21, 2014, qualifications were received from Parrott Creek Child and Family Services and Todos Juntos. Qualifications were reviewed by an evaluation committee. The committee determined that both providers were qualified to provide the services and recommended that contracts be awarded to both providers.

The value of this contract is \$155,055. Funds are budgeted in multiple projects fund 260 1143 431900.

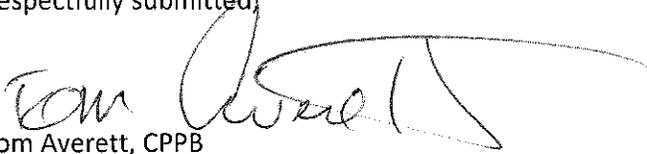
County Counsel has reviewed this contract.

RECOMMENDATION:

Staff respectfully recommends approval the contract with Parrott Creek Child and Family Services to provide Diversion Panel Services for the Juvenile Department.

County Counsel has reviewed this contract.

Respectfully submitted,


Tom Averett, CPPB
Buyer