



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles
Chief Executive Office

PUBLIC SAFETY CLUSTER AGENDA REVIEW MEETING

MARCH 4, 2020 MEETING IS CANCELLED.

1. **INFORMATIONAL ITEM(S)** [Any Information Item is subject to discussion and/or presentation at the request of two or more Board offices with advance notification]:
 - A. Board Letter:
ACCEPT A GRANT AWARD FROM THE STATE OF CALIFORNIA DEPARTMENT OF PARKS AND RECREATION, DIVISION OF BOATING AND WATERWAYS FOR THE SURRENDERED AND ABANDONED VESSEL EXCHANGE PROGRAM
Speaker(s): Karen Anderson and Elida Rodriguez (Sheriff)
 - B. Board Letter:
ACCEPT A GRANT AWARD FROM THE STATE OF CALIFORNIA DEPARTMENT OF PARKS AND RECREATION, DIVISION OF BOATING AND WATERWAYS FOR THE LAW ENFORCEMENT EQUIPMENT GRANT PROGRAM
Speaker(s): Karen Anderson and Elida Rodriguez (Sheriff)
 - C. Board Letter:
APPROVAL TO ACCEPT A ONE-TIME DONATION OF FOUR BULLARD THERMAL IMAGER CAMERAS FROM THE FIREHOUSE SUBS PUBLIC SAFETY FOUNDATION
Speaker(s): Christopher Anderson and Debbie Aguirre (Fire)
 - D. Board Letter:
PAYMENT TO MORRISON MANAGEMENT SPECIALIST, INC. FOR YOUTH AND STAFF MEALS PROVIDED AT LOS PADRINOS JUVENILE HALL FOLLOWING THE SADDLERIDGE FIRE LOCAL EMERGENCY
Speaker(s): Robert Smythe (Probation)
 - E. Board Letter:
AUTHORIZE THE DISTRICT ATTORNEY TO COMPLETE THE APPLICATION PROCESS AND ACCEPT GRANT FUNDS FROM THE CALIFORNIA OFFICE OF EMERGENCY SERVICES FOR HUMAN TRAFFICKING ADVOCACY PROGRAM FOR PERFORMANCE PERIOD OF JANUARY 1, 2020 TO DECEMBER 31, 2020
Speaker(s): Michele Daniels and Tuppence Macintyre (District Attorney)

Wednesday, March 4, 2020

- F.** Board Letter:
AUTHORIZE THE DISTRICT ATTORNEY TO COMPLETE THE APPLICATION PROCESS AND ACCEPT GRANT FUNDS FROM THE CALIFORNIA OFFICE OF EMERGENCY SERVICES FOR THE ELDER ABUSE PROGRAM AND APPROVE APPROPRIATION ADJUSTMENT FOR PERFORMANCE PERIOD OF JANUARY 1, 2020 TO DECEMBER 31, 2020
Speaker(s): Michele Daniels and Tuppence Macintyre (District Attorney)
- G.** Board Letter:
AUTHORIZE THE DISTRICT ATTORNEY TO COMPLETE AND ACCEPT GRANT FUNDING FROM THE CALIFORNIA OFFICE OF INSURANCE FOR THE HIGH IMPACT INSURANCE FRAUD PROGRAM AND APPROVE APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2019-20
Speaker(s): Michelle Daniels and Tuppence Macintyre (District Attorney)

2. UPCOMING ITEMS:

- A.** Board Letter:
ACCEPT A GRANT AWARD FROM THE BOARD OF STATE AND COMMUNITY CORRECTIONS FOR THE EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM
Speaker(s): Steve Strange and Elida Rodriguez (Sheriff)
- B.** Board Letter:
REQUEST AUTHORIZATION TO ACCEPT GRANT FUNDS FROM THE NATIONAL INSTITUTE OF JUSTICE RESEARCH, EVALUATION, AND DEVELOPMENT PROGRAM TO FUND A PATHOLOGY FELLOWSHIP FOR FISCAL YEARS 2019-20 AND 2020-21 AND APPROVE AN ADJUSTMENT
Speaker(s): Jonathan Lucas (Medical Examiner-Coroner)

March 17, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**ACCEPT GRANT AWARD FROM THE STATE OF CALIFORNIA DEPARTMENT OF
PARKS AND RECREATION, DIVISION OF BOATING AND WATERWAYS FOR THE
SURRENDERED AND ABANDONED VESSEL EXCHANGE PROGRAM
(FOURTH DISTRICT) (3 VOTES)**

SUBJECT

Request Board approval authorizing the Sheriff of Los Angeles County (County) to accept and execute a grant award in the amount of \$80,000 from the State of California (State) Department of Parks and Recreation (CDPR), Division of Boating and Waterways (DBW) for the Fiscal Year (FY) 2019-20 Surrendered and Abandoned Vessel Exchange Program (SAVE Program).

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Sheriff, or his designee, as an agent for the County, to accept and execute the attached Grant Award Agreement Number C19S0615 (Agreement) with DBW, accepting grant funds from the State in the amount of \$80,000 with a \$8,000 match requirement to fund the Los Angeles County Sheriff's Department's (Department) Marina Del Rey (MDR) Sheriff's Station for the grant period from date fully executed, to September 30, 2021. The required match will be funded by the Department's Central Patrol Division Budget.
2. Delegate to the Sheriff, or his designee, to execute and submit all other required grant documents, including but not limited to agreements, modifications, extensions

and payment requests that may be necessary for the completion of the SAVE Program.

3. Delegate authority to the Sheriff, or his designee, as an agent for the County, to apply for and submit a grant application to DBW for future SAVE Program years, when and if such funding becomes available.
4. Delegate authority to the Sheriff, or his designee, as an agent for the County, to accept all grant awards for the SAVE Program in future FYs, if awarded by DBW, and to execute all required grant documents, including but not limited to, agreements, modifications, extensions, and payment requests that may be necessary for completion of the SAVE Program in future FYs.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Pursuant to the California Harbors and Navigation Code Sections 502-527, the Department is mandated to provide services relative to the proper and legal removal, storage, and disposal of abandoned or surrendered recreational watercraft, or parts thereof that are in danger of being abandoned. To avoid potential health and safety hazards, it is imperative to remove these vessels in and around the Marina Del Rey Harbor and Santa Monica Bay waters. This grant will assist the Department in eliminating the Marina Del Rey Harbor and Santa Monica Bay waters of abandoned and submerged vessels. The Department will also be able to assist registered owners of recreational vessels who are no longer able to pay their slip fees due to economic hardships and have expressed an interest in surrendering their vessel through the SAVE Program.

Funds in the amount of \$88,000 (including the required match) will be used for Services and Supplies for abandoned or surrendered vessel removal, disposal, destruction, and storage fees.

As required by the County Grants Manual, the Department shall obtain Board approval and authorization to accept the grant funding. The current procedure for requesting Board approval requires a minimum of six weeks, while the time required by DBW to complete equipment purchases is November 30, 2020. Failure to complete purchases in a timely manner would significantly impact the Department and may result in the Department's inability to claim reimbursement of funds.

Implementation of Strategic Plan Goals

The SAVE Program is consistent with the County's Strategic Plan, Goal 5, Environmental Health Oversight and Monitoring, by strengthening the County's capabilities to prevent, prepare for, and respond to environmental hazards and improve the safety and security of the people of the County.

FISCAL IMPACT/FINANCING

This will be the fifth year for the SAVE Program. Grant funds in the amount of \$80,000 will be used by Marina Del Rey Station for Services and Supplies for abandoned or surrendered vessel removal, disposal, destruction, and storage fees.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term of the Agreement commences upon execution and terminates September 30, 2021. Under the terms of the Agreement, the County and its subcontractors must furnish verification of insurance upon execution of the Agreement, and all requests for payment must be submitted no later than 30 days following the expiration date of the Agreement.

The Agreement requires that the County shall be responsible for, and the DBW shall not be answerable or accountable in any manner for, any loss or expense by any reason of any damage or injury to person or property, or both, arising out or related in any way to activities carried out by the County, its agents, officers, contractors, subcontractors and/or employees under the Agreement. The County shall protect, hold harmless, indemnify, and defend the DBW, its agents, officers, and/or employees against any and all actions, claims and damages to persons or property, penalties, obligations, and liabilities that may be asserted or claimed by any person, firm, association, entity, corporation, political subdivision, or other organization or person arising out of or in connection with the County or its contractor's or subcontractor's activities under the Agreement, whether or not there are concurrent passive negligence on the part of the DBW, its agents, officers, and/or employees.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The SAVE Program will have a positive impact on current services for the Marina Del Rey Harbor and Santa Monica Bay waters. The SAVE Program supports sunken vessel recoveries and the removal, storage, and disposal of abandoned or surrendered vessels, or parts thereof that are in danger of being abandoned, and have the likelihood of causing environmental degradation or becoming a hazard to navigation in the Marina Del Rey Harbor and Santa Monica Bay waters.

The Honorable Board of Supervisors
March 17, 2020
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CONCLUSION

Upon Board approval, please return two individually certified copies of the adopted Board letter to the Department's Grants Unit.

Sincerely,

ALEX VILLANUEVA, SHERIFF

TIMOTHY K. MURAKAMI
UNDERSHERIFF

DRAFT

TKM:GB:gb
(Financial Programs Bureau/Grants Unit)

c: Board of Supervisors, Justice Deputies
Celia Zavala, Executive Officer, Board of Supervisors
Sachi A. Hamai, Chief Executive Officer
Sheila Williams, Senior Manager, Chief Executive Office (CEO)
Rene Phillips, Manager, CEO
Jocelyn Ventilacion, Principal Analyst, CEO
Anna Petrosyan, Analyst, CEO
Mary C. Wickham, County Counsel
Michele Jackson, Principal Deputy County Counsel
Elizabeth D. Miller, Chief Legal Advisor, Legal Advisory Unit
Timothy K. Murakami, Undersheriff
John P. Burcher, A/Chief of Staff
Conrad Meredith, Division Director, Administrative Services Division (ASD)
Elizier Vera, Chief, Central Patrol Division
Glen C. Joe, Assistant Division Director, ASD
Richard F. Martinez, Director, Financial Program Bureau (FPB)
Karen J. Anderson, Assistant Director, FPB, Grants Unit
Vanessa C. Chow, Sergeant, ASD
Elida D. Rodriguez, Grants Manager, FPB Grants Unit
Adam R. Wright, Deputy, ASD
Colleen Murphy, Grants Supervisor, FPB, Grants Unit
Geoia M. Bearden, Grant Analyst, FPB, Grants Unit
(Grants - Boating and Waterways-Marina Del Rey SAVE Program 03-17-20)

State of California – Natural Resources Agency
DEPARTMENT OF PARKS AND RECREATION
DIVISION OF BOATING AND WATERWAYS
GRANT AGREEMENT - CERTIFICATE OF FUNDING

GRANTEE: Los Angeles County Sheriff's Department
GRANT TITLE: SURRENDERED AND ABANDONED VESSEL EXCHANGE (SAVE-19)
GRANT AMOUNT: \$80,000.00
GRANT NUMBER: C19S0615
GRANT TERM: Effective: Date Fully Executed* through September 30, 2021
FULLY EXECUTED: To be advised

The Grantee agrees to the terms and conditions of this Agreement which includes Exhibit A, B, C, D, E, F and G, hereinafter referred to as Agreement, and the State of California, acting through its Director of the Department of Parks and Recreation, and pursuant to the State of California agrees to fund the total State grant amount indicated below. The GRANTEE agrees to complete the tasks identified in the STATEMENT OF NEED AND BUDGET SPREADSHEET, as defined in Exhibit G of the Agreement and herein referred to as SCOPE OF WORK.

The General and Special Provisions attached are made a part of and incorporated into the Agreement.

Grantee: Los Angeles County Sheriff's Department	Agency: Department of Parks and Recreation Division of Boating and Waterways
Address: 211 W. Temple Street, Los Angeles, CA 90012	ATTN: Ron Kent Address: One Capitol Mall, Suite 500 Sacramento, CA 95814
Authorized Signature:	Authorized Signature:
Printed Name: TIMOTHY K. MURAKAMI	Printed Name: Keren Dill
Title of Authorized Representative: UNDERSHERIFF	Title: Staff Services Manager II
Date:	Date:

**CERTIFICATE OF FUNDING
(FOR STATE USE ONLY)**

GRANTEE: Los Angeles County Sheriff's Department

GRANT TITLE: FY 2019/20 Surrendered and Abandoned Vessel Exchange (SAVE)

GRANT AMOUNT: \$80,000.00

GRANT NUMBER: C19S0615

GRANT TERM: Effective: Date Fully Executed* through September 30, 2021

FULLY EXECUTED: To be advised

CONTRACT NO C19S0615	AMENDMENT NO	SUPPLIER ID 0000003047		PROJECT NO 3790OTHER
AMOUNT ENCUMBERED BY THIS DOCUMENT \$80,000.00	FUND DESCRIPTION Abandoned Watercraft Abatement Fund (SAVE-19)		AGENCY BILLING CODE NO 053706	
REPORTING STRUCTURE 37900709	Approp. Ref. Fund 3790-101-0577	CHAPTER 23	STATUTE 2019	FISCAL YEAR 2019/20
BUSINESS UNIT 3790	INDEX N/A	PROGRAM 2855023	ACTIVITY CODE 69990	ACCOUNT 5432000
T.B.A. NO	<i>I hereby certify upon my own personal knowledge that the budgeted funds are available for this encumbrance.</i>			
B.R.NO	ACCOUNTING OFFICER'S SIGNATURE		DATE	

STATE OF CALIFORNIA

Department of Parks and Recreation, Division of Boating and Waterways
One Capitol Mall, Suite 500
Sacramento, CA 95814

EXHIBIT A
SURRENDERED AND ABANDONED VESSELS EXCHANGE (SAVE)
FISCAL YEAR 2019/20
AUTHORIZED GRANT REPRESENTATIVES

The services shall be performed in the jurisdiction of: Los Angeles County Sheriff's Department

State Agency: Division of Boating and Waterways	Grantee (Agency Name): Los Angeles County Sheriff's Department
Name: Ron Kent	Grantee Representative*: Ron Nohles
Title: Program Administrator	Title: Deputy
Address: One Capitol Mall, Suite 500 Sacramento, CA 95814	Address: 211 W. Temple Street, Los Angeles, CA 90012
Phone: (916) 327-1825	Phone: (310) 482-6031
Fax:	Fax: (323) 415-2592
Email: ron.kent@parks.ca.gov	Email: rcnohles@lasd.org

* Grantee representative information may only be changed by giving 30 days written notice to DBW.

EXHIBIT B

Surrendered and Abandoned Vessels Exchange (SAVE) Grant Program

1. NEEDS AND OBJECTIVES OF DBW

- a. Pursuant to its authority under Harbors and Navigation Code section 525, the Division of Boating and Waterways (DBW) wishes to contract with Grantee for the removal and disposal of abandoned, wrecked or dismantled vessels, or parts thereof, or any other partially submerged objects (hereinafter "eligible water hazards") which pose a substantial hazard to navigation within Grantee's jurisdiction as listed on the Questionnaire, found in Exhibit A.
- b. Pursuant to its authority under Harbors and Navigation Code Section 525, the Division of Boating and Waterways (DBW) wishes to contract with Grantee for the removal and disposal of surrendered vessels, or parts thereof, which are in danger of being abandoned and has a likelihood of causing environmental degradation or becoming a hazard to navigation within Grantee's jurisdiction as specified according to the Grantee's Work Plan, found in Exhibit A.

2. WATER HAZARDS ELIGIBLE FOR REMOVAL AND DISPOSAL

The funds provided under this Agreement shall be used for the combined purposes of Surrendered and Abandoned Vessels Exchange (SAVE) as follows:

- a. **Abatement, removal, storage and/or disposal of eligible Marine Debris.** For purposes of this Agreement, "abandoned" is defined in Harbors and Navigation Code section 522(a):

"Any hulk, derelict, wreck, or parts of any ship, vessel, or other watercraft sunk, beached, or allowed to remain in an unseaworthy or dilapidated condition upon publicly owned submerged lands, salt marsh, or tidelands within the corporate limits of any municipal corporation or other public corporation or entity having jurisdiction or control over those lands, without its consent expressed by resolution of its legislative body, for a period longer than 30 days without a watchman or other person being maintained upon or near and in charge of the property, is abandoned property".

Harbors and Navigation Code, Section 525 (1)(A):

"...the Abandoned Watercraft Abatement Fund, which is hereby created as a special fund. Moneys in the fund shall be used exclusively, upon appropriation by the Legislature, for grants to be awarded by the department to local agencies for the abatement, removal, storage, and disposal as public nuisances of any abandoned property as described in Section 522 or for the disposal of surrendered vessels as defined in Section 526.1, wrecked or dismantled vessels, or parts thereof, or any other partially submerged objects that pose a substantial hazard to navigation, from navigable waterways or adjacent public property or private property with the landowner's consent.

Harbors and Navigation Code, Section 550 (B):

" "Marine Debris" is a vessel or part of a vessel, including a derelict, wreck, hulk, or part of any ship or other watercraft or dilapidated vessel. That is unseaworthy and not reasonably fit or capable of being made fit to be used as a means of transportation by water."

- b. The funds provided under this Agreement shall not be utilized for abatement,

removal, storage, or disposal of commercial vessels. Commercial vessels include those vessels for which the most recent registration or documentation was commercial, even though that registration or documentation may have lapsed.

- c. If Grantee is reimbursed for the costs related to the abatement, removal, storage, and/or disposal of an eligible water hazard by the registered or legal owner or other person or entity known to have an interest in the water hazard, then the water hazard shall no longer be eligible for funding under this Agreement. Grantee shall notify DBW in writing of such reimbursement and shall return all funds disbursed by DBW to Grantee with respect to such water hazard immediately.
- d. **Abatement, removal, storage and disposal of eligible surrendered vessels.** For purposes of this Agreement, "surrendered" is defined in Harbors and Navigation Code section 526.1(a):
- e. "'surrendered vessel' means a recreational vessel that the verified titleholder has willingly surrendered to a willing agency under both of the following conditions:
 - (1) The public agency has determined in its sole discretion that the vessel is in danger of being abandoned, and therefore has a likelihood of causing environmental degradation or becoming a hazard to navigation.
 - (2) The decision to accept a vessel is based solely on the potential of the vessel to likely be abandoned and cause environmental degradation or become a hazard to navigation."
- f. The funds provided under this Agreement shall not be utilized for surrender, abatement, removal, storage, or disposal of commercial vessels. Commercial vessels include those vessels for which the most recent registration or documentation was commercial, even though that registration or documentation may have lapsed.
- g. If Grantee is reimbursed for the costs related to the removal, storage, and/or disposal of a surrendered vessel by the registered or legal owner or other person or entity known to have an interest in the vessel, then the vessel shall no longer be eligible for funding under this Agreement. Grantee shall notify DBW in writing of such reimbursement and shall return all funds disbursed by DBW to Grantee with respect to such vessel immediately.

3. RIGHT OF INSPECTION

Grantee shall allow DBW and other state agency representatives, at any reasonable time, to inspect any site where Grantee or its subcontractors are performing work under this Agreement.

4. ANNUAL MEETING

Grantee's representative or alternate shall participate in an annual one-day video or phone conference conducted by DBW during the term of this agreement. Should the Grantee or representative be unable to attend the meeting and cannot provide a substitute from the agency, the Grantee must forward a letter to DBW stating the reason why they cannot attend. DBW must grant approval in writing in order for the Grantee not to be in breach of this Agreement for failure to attend.

5. ACTIVITY/NON ACTIVITY: REPORTING REQUIREMENTS

- a. Grantee shall provide quarterly reports to DBW describing the status of existing

issues known, pending, or in progress.

- b. Lack of quarterly reporting and/or removal activity within any twelve month period during the term of this agreement is subject to possible revocation of grant.

6. HAZARDOUS MATERIALS

Grantee shall be responsible for securing any necessary or prudent studies, permits, or authorizations associated with treatment, removal, storage, or any other handling of hazardous substances including, but not limited to, toxic waste, petroleum waste, asbestos, and similar substances, prior to the removal of any vessel and water hazard pursuant to this Agreement.

Grantee shall be responsible for the proper and lawful handling, abatement, removal, storage, and/or disposal of any hazardous substances encountered in the execution of this Agreement.

7. TITLES AND LIENS

- a. **Abandoned vessels:** Grantee shall comply with all relevant provisions of the Harbors and Navigation Code regarding notices, hearings and liens in the performance of this Agreement. Grantee (in conjunction with local law enforcement) shall conduct a title search for all vessels presumed to be abandoned, as provided by Harbors and Navigation Code section 526.
- b. **Surrendered vessels:** Grantee shall comply with all relevant provisions of Harbors and Navigation Code section 526.1 in the performance of this Agreement, requiring that a surrendered vessel be that of the "verified titleholder."

8. MEDIA

Grantee agrees to acknowledge DBW's financial support whenever work funded by this Agreement is publicized in any news media, brochures, or other type of promotional material.

9. MEDIA MATERIALS RELEASE

Grantee agrees to irrevocably grant to California State Parks, Division of Boating and Waterways, its employees, officers, agents, and assigns (hereinafter referred to as "DBW"), the non-exclusive, royalty-free, perpetual and worldwide right and permission to use, reproduce, publish, copy, distribute, alter, license, adapt, and display the photographs, motion pictures, caption information, and/or written quotes (hereinafter referred to collectively as "Photographs"), that the Grantee has submitted to DBW for art, editorial, advertising, marketing, trade, broadcast, print, educational programs, or any other lawful purpose whatsoever, in any and all media. In connection with the foregoing license, the Grantee agrees not to use, reproduce, adapt, or display the Photographs, or allow others to do so, in a manner that tends to subject DBW or its AWAFF, VTIP and/or SAVE programs to ridicule, disparagement, mockery, satire, or that could tarnish the image of the DBW's AWAFF, VTIP, and/or SAVE programs. Grantee hereby releases and discharges DBW from any and all claims and demands arising out of or in connection with the use of the Photographs, including without limitations, any and all claims for libel, defamation, invasion of privacy, and/or publicity rights. DBW assumes no responsibility for lost or damaged Photographs or for the use of same. DBW may sell, assign, license, or transfer all rights granted to it hereunder.

Grantee also grants DBW and its licensees the unrestricted right to use and disclose its name in connection with use of the Photographs. The Grantee understands that it will not be

paid for any use or right granted herein.

The Grantee understands and agrees that the Photographs may be used in whole or in part, at any time. The license granted herein to DBW includes the right and permission to conduct or have conducted such alterations to the Photographs as DBW deems necessary. Grantee releases and discharges DBW and agrees to indemnify and hold DBW harmless from any liability by virtue of any blurring, distortion, alteration, optical illusion or use in composite form, loss or damage, whether intentional or otherwise, that may occur in the use of the Photographs. The Grantee waives any right to inspect or approve any finished product, advertising or other copy that may be used in connection therewith or the use to which it may be applied.

The Grantee declares and avows that the Photographs it is submitting to DBW are its own original work in all respects. The Grantee is the sole and exclusive owner of the Photographs; they are free, clear, and unencumbered. No part of them is taken from or based on any other work; no part infringes the copyright or any other right of any person; and the reproduction, publication, exhibition, or any other use by DBW of the Photographs in any form whatever will not in any way, directly or indirectly, infringe on the rights of any person. The Grantee agrees to indemnify and hold DBW harmless from and against any and all loss, damage, costs, charges, legal fees, recoveries, judgments, amounts paid in settlement, penalties, and expenses that may be obtained against, imposed on, or suffered by DBW by reason of (1) any violation or infringement of any proprietary right or copyright; or (2) any libelous or unlawful matter contained in the Photographs. Grantee also agrees to indemnify and hold DBW harmless for any such amounts arising from its breach of any covenant, representation, or warranty of this agreement.

10. PERMITS AND DOCUMENTATION

Prior to the removal of any abandoned vessel, eligible water hazard, or surrendered vessel, the Grantee shall obtain all necessary permits, authorizations, and documentation necessitated by any applicable provision of law.

11. SECURING OF BIDS

Grantee shall comply with any applicable laws and regulations governing the competitive bidding process when awarding subcontracts to marine salvage companies under this Agreement.

12. SUBCONTRACTORS

Grantee agrees that it shall guarantee and shall be responsible for ensuring that any and all of its contractors and subcontractors holds a valid business license and carries general commercial liability insurance coverage sufficient to fully insure against any and all risks of hazardous activities associated with the work to be performed under this Agreement; and Grantee agrees that if any of Grantee's contractors or subcontractors fail to fulfill any of these requirements, that Grantee itself carries general commercial liability insurance coverage sufficient to fully insure against any and all risks of hazardous activities associated with the work to be performed under this Agreement, whether performed by the Grantee, Grantee's contractor(s), or Grantee's subcontractor(s). Grantee shall provide DBW with a certificate of insurance from any contractor(s) and subcontractor(s) prior to the commencement of any work under this Agreement.

13. TRAFFIC CONTROL AND TRAFFIC SAFETY

The Grantee shall provide for adequate traffic control and safety measures at any site where

Grantee and its subcontractors will perform any work under this Agreement.

14. AIR OR WATER POLLUTION VIOLATION

Grantee warrants that it is not (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to any cease and desist order not subject to review issued pursuant to Water Code section 13301 for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

15. ENTIRE AGREEMENT

This Agreement consists of the terms of this Agreement and all attachments, which are expressly incorporated herein. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required.

16. APPROVAL OF AGREEMENT AND AMENDMENTS

This Agreement and any variation thereto is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Commencement of performance prior to approval of this Agreement will be at the Grantee's own risk.

17. DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) PARTICIPATION REQUIREMENT

There are no Disabled Veteran Business Enterprise participation requirements with this agreement.

18. AUTHORITY TO CONTRACT

Grantee must provide DBW with evidence of its authority to enter into this Agreement. Grantee may provide a delegation of contracting authority from its local governing body that by law has authority to contract. Alternatively, Grantee shall provide DBW with a resolution, order, motion, or ordinance of its local governing body that by law has authority to contract, authorizing execution of this Agreement.

19. COMPLIANCE WITH LAW AND REGULATIONS

Grantee and its subcontractor(s) shall comply with all applicable laws and regulations of the State of California for all work to be performed under this Agreement. By signing this Agreement, Grantee certifies its compliance and the compliance of all subcontractors with: (a) applicable provisions of the California Environmental Quality Act; (b) Nondiscrimination Program requirements of Government Code section 12990 (a-f) and Title 2, California Code of Regulations, section 8103 (and section 8113 in contracts over \$5,000) along with section 7285 et. seq. of the Fair Employment and Housing Act; (c) Drug-Free Workplace requirement of Government Code section 8350 et seq.; (d) National Labor Relations Board Certification of Public Contract Code section 10296; (e) Workers' Compensation requirement of Labor Code section 3700; and (f) Americans with Disabilities Act regulations issued pursuant to 42 U.S.C. section 12101 et seq.

20. INDEPENDENT CONTRACTOR

Grantee and its employees are independent contractors and shall not be considered officers or employees of DBW or agents of the State of California.

21. **INSURANCE REQUIREMENTS**

The abatement, removal, storage, and /or disposal of vessels under this Agreement is a hazardous activity. Grantee therefore must maintain commercial general liability insurance in an amount and of a type acceptable to DBW and to the Department of General Services/ Office of Risk and Insurance Management (ORIM).

1. **GENERAL PROVISIONS APPLYING TO ALL POLICIES**

a. Coverage Term

Coverage needs to be in force for the complete term of the Agreement. If insurance expires during the term of the grant, a new certificate must be received by the Division at least ten (10) days prior to the expiration of this insurance. Any new insurance must still comply with the original terms of the grant.

b. Policy cancellation or termination & notice of non-renewal

Insurance policies shall contain a provision stating coverage will not be cancelled without 30 days prior written notice to the Division. In the event Grantee fails to keep in effect at all times the specified insurance coverage, the Division may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event, subject to the provisions of this Agreement.

c. Deductible

Grantee is responsible for any deductible or self-insured retention contained within their insurance program.

d. Primary clause

Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the State.

e. Insurance carrier required rating

All insurance companies must carry a rating acceptable to ORIM. If the Grantee is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required by DBW or ORIM.

f. Endorsements

Any required endorsements requested by the Division must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.

g. Inadequate Insurance

Inadequate or lack of insurance does not negate the Grantee's obligations under the Agreement.

h. Use of Subcontractors

In the case of Grantee's utilization of subcontractors to complete the contracted scope of work, Grantee shall include all subcontractors as insured's under Grantee's insurance or supply evidence of subcontractor's insurance to the State when requested equal to policies, coverages, and

limits required of Grantee.

2. **INSURANCE REQUIREMENTS**

a. Commercial General Liability

The Grantee shall maintain general liability on an occurrence form with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with a \$2,000,000 annual policy aggregate. The policy shall include coverage for liabilities arising out of premises, operations, independent subcontractors, products, completed operations, personal and advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Grantee's limit of liability. The policy must include:

"The State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under the contract."

This **endorsement** must be supplied under form acceptable to the Office of Risk and Insurance Management.

In the case of Grantee's utilization of subcontractors to complete the contracted scope of work, Grantee shall include all subcontractors as insured's under Grantee's insurance or supply evidence of insurance to the State equal to policies, coverages and limits required of Grantee.

b. Automobile Liability

The Grantee shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles.

c. Watercraft Liability

The Grantee shall maintain watercraft liability insurance with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of the maintenance and use of any watercraft (owned, hired or non-owned). The policy must include:

"The State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed that is connected with or related to the activities contemplated in this Agreement."

This **endorsement** must be supplied under form acceptable to the Office of Risk and Insurance Management.

d. Workers Compensation and Employers Liability

The Grantee shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Agreement. Employer's liability limits of \$1,000,000 are required. The insurer waives any right of recovery the insurer may have against the State because of payments the insurer makes for injury or damage arising out of the work done under contract with the State. A Waiver of Subrogation or Right to Recover endorsement in favor of the

State must be attached to certificate.

If applicable, Grantee shall provide coverage for all its employees for any injuries or claims under the U.S. Longshoremen's and Harbor Workers' Compensation Act, the Jones Act or under laws, regulations, or statutes applicable to maritime employees. By signing this contract, Grantee acknowledges compliance with these regulations.

e. Environmental/Pollution Liability

Grantee shall maintain Pollution Liability for limits not less than \$1,000,000 occurrence covering the Grantee's liability for bodily injury, property damage and environmental damage resulting from pollution and related cleanup costs incurred arising out of the work or services to be performed under this contract. The policy must include:

"The State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under the contract."

This **endorsement** must be supplied under form acceptable to the Office of Risk and Insurance Management.

Coverage shall be provided for both work performed on site and during transportation as well as proper disposal of hazardous materials.

3. **Self-Insurance**

If the Grantee is self-insured for a portion or all of its insurance, the Grantee shall provide evidence of self-insurance when requested by DBW. Review of financial information including a letter of credit may be required. The Division reserves the right to request financial information.

4. **Statement of Insurance Coverage:**

Grantee certifies and agrees that they have all required insurance coverages as stated in the grant agreement, which will be in effect for the entire term of the agreement.

Approver initials :

Date:

Name:

Title:

22. TERMINATION

- a. DBW may terminate this Agreement for any reason upon thirty (30) days written notice to Grantee.
- b. If the Grantee fails to keep the required insurance in effect at all times during the term of this agreement, DBW may, in addition to other remedies it may have, terminate this agreement upon two days written notice.
- c. DBW may, by two-day written notice to Grantee and without any prejudice to its other remedies, terminate this agreement because of failure of Grantee to fulfill any of the requirements of this agreement.
- d. Upon receipt of any notice terminating this Agreement, Grantee shall immediately

discontinue all removal and disposal activities affected, unless the notice directs otherwise. In such event, DBW shall pay Grantee only for removal and disposal activities completed prior to the termination date.

- e. Upon termination of this agreement, Grantee shall promptly return all advanced funds. At DBW's sole discretion, DBW may offer an opportunity to cure any breach prior to terminating for default.

23. ASSIGNMENT

This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of the State in the form of a formal written amendment.

24. MATCHING 10% REQUIREMENT

- a. Section 525(C) of the Harbors and Navigation Code states, "A grant awarded by the department pursuant to subparagraph (A) shall be matched by a 10-percent contribution from the local agency receiving the grant."
- b. The 10-percent contribution is in addition to funds awarded in the grant and may be made by cash and/or in-kind contributions which may include personnel hours (net hourly rate only with no benefits included) excessive removal and/or storage fees, and other expenses with advance DBW approval.
- c. If using personnel hours for in-kind match, only net, raw hours will be accepted and verification of in-kind contribution is required with reimbursement request(s). The statement of in-kind hours must include:
 - a. Activity date
 - b. Vessel/issue name or description
 - c. Personnel name
 - d. Description of service provided
 - e. Number of hours provided by each person
 - f. Hourly rate and total value

Use the [form](#) provided on DBW's website at www.dbw.ca.gov under Grants & Loans, or the online grant system, OLGA, available on DBW's website.

- e. The burden of proof in complying with the 10-percent contribution requirement is the responsibility of the grantee. Grant funds will not be disbursed until the grantee has provided DBW with acceptable documentation that it complied with the 10-percent contribution requirement for each disbursement.

25. BUDGET DETAIL AND PAYMENT PROVISIONS

- a. **Covered Expenses and Reimbursement Claims Processes**
 - 1. DBW will reimburse the Grantee for the following expenditures provided by Grantee's service providers, contractors and/or subcontractors, within the scope of the SAVE program for AWAFF issues associated with:
 - i. Raising of submerged vessels and associated hazardous materials
 - ii. Removal of Recreational Vessels and associated hazardous materials from navigable waterways or adjacent shorelines
 - iii. Removal and disposal of hazardous materials from Recreational Vessels
 - iv. Towing

- v. Storage:
 - 1) Without lien sale: 60 days maximum
 - 2) With lien sale: 90 days maximum with justification
 - 3) If stored onsite at Grantee's facility, 50% of the normal rate of charge to the public will be reimbursed, and fee schedule is required for verification.
 - vi. Lien sale expenses: fees charged by lien sale service companies, postage, DMV fees, and advertising costs
 - vii. Public notice advertising
 - viii. Vessel appraisal
 - ix. Salvage and demolition
2. DBW will reimburse the Grantee for the following expenditures provided by Grantee's Service providers, contractors and/or subcontractors, within the scope of the SAVE program for VTIP issues:
- i. Disposal of Surrendered Recreational Vessels
 - ii. Removal and Disposal of hazardous materials from Recreational Vessels
 - iii. Towing of Recreational Vessels from Agency to disposal site
3. Navigational hazard removal and destruction may be considered with advanced written approval from DBW. Inquire in advance of completing work with documentation, photos, and narrative as to why the item is a navigational hazard
4. Other items directly related to SAVE activities that could create long-term cost efficiencies of vessel removal, disposal and turn-in may be considered for reimbursement with pre-approval in writing from DBW.
- b. **Reimbursement claim forms:**
- Forms are available on DBW's website under the Grants & Loans tab under the appropriate link for SAVE, AWAFF and/or VTIP (until further notice, use the SAVE, AWAFF or VTIP reimbursement forms as needed for each specific type of removal): Grantee must sign and date each reimbursement claim form in blue ink and submit with the following documents to DBW:
- c. Invoices from service providers, contractors and/or subcontractors to Grantee:
- Invoices must contain the following:
- 1. Name and address of Grantee
 - 2. Contract or invoice number
 - 3. Description of service performed
 - 4. Date the service was performed
 - 5. Location of each service
 - 6. Vessel name, CF# or HIN# if available; otherwise, description of vessel
 - 7. Signature confirming the claim is accurate and true under penalty of perjury
- d. **Proof of payment for all invoices.**
- The following acceptable forms of proof are:
- 1. Cancelled check (with bank's cancelled stamp on back of check copy)
 - 2. Credit card statement with charge and payment posted, along with copy of

- charge slip
3. Invoices from service provider showing zero balance
 4. Proof of Accounting Clearing House (ACH) or electronic transfer showing date, amount and transaction confirmation number.
- e. **10% in-kind match contribution statement:**
1. If Grantee is matching the 10% requirement with in-kind services, complete the following form located on DBW's website and submit with each claim: <http://www.dbw.ca.gov/PDF/Funding/DPR265.pdf>
 2. Net, hourly rates only will be accepted. Grantee must include verification of net rates with first claim and each time rates are changed.
- f. **Photos of vessels (Required)**
- with CF numbers visible if available
- g. **(VTIP ONLY) Statement of Vessel Release of Interest and Ownership:**
- To be completed and signed by owner(s).** Grantee may provide their own release form to vessel owners for completion. A sample of this release form is located on our website:
- http://www.dbw.ca.gov/PDF/Funding/SAMPLE_Release_of_Interest_and_Liability_Form.pdf
- NOTE: (VTIP ONLY) Vessel ownership verification is required; however, it is not required that boat owners bring their registration up to date in order to surrender their vessel through the VTIP.**
- h. Reimbursement claims and support documents (as indicated above) are to be submitted to DBW at:
- Division of Boating and Waterways**
One Capitol Mall, Suite 500
Sacramento, CA 95814
Attention: SAVE Unit
- i. Submission of fraudulent invoices or other claim documentation is a breach of this Agreement, which shall result in forfeiture of all funds advanced and provided under this Agreement.
- j. All requests for payment must be submitted to DBW no later than 30 days after the expiration date of the agreement. DBW is not obligated to make payment on any reimbursement request(s) received or for any services completed after this date.
- Refer to "Fully Executed" letter for additional reimbursement request requirements.**

26. BUDGET CONTINGENCY CLAUSE

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program; this Agreement shall be of no further force and effect. In this event, DBW shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement.

- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, DBW shall have the option to either cancel this Agreement with no liability occurring to DBW, or offer an agreement amendment to Grantee to reflect the reduced amount.

27. INDEMNIFICATION

Grantee shall be responsible for, and DPR shall not be answerable or accountable in any manner for, any loss or expense by reason of any damage or injury to person or property, or both, arising out of or related in any way to activities carried out by Grantee, its agents, officers, contractors, subcontractors and/or employees, under this Agreement Grantee shall protect, hold harmless, indemnify and defend DPR, its agents, officers, and/or employees against any and all actions, claims, and damages to persons or property, penalties, obligations and liabilities that may be asserted or claimed by any person, firm, association, entity, corporation, political subdivision, or other organization or person arising out of or in connection with Grantee or Grantee's contractor's or subcontractor's activities hereunder, whether or not there is concurrent passive negligence on the part of DPR, its agents, officers, and/or employees.

28. FUNDS ASSIST

a. PROCESS

The Funds Assist process has been developed by DBW as a method for grantees with excessive, unused funds to assist other participating SAVE agencies in need. Funds Assist is a voluntary action (by both agencies) until within three (3) months of the expiration date of the grant at which time it will become a required action of those agencies with remaining grant balances, at DBW's discretion.

The Funds Assist process works as follows:

- 1) An introduction is made by DBW between the agency with excessive funds (Agency A) and the agency in need (Agency B).
- 2) A deadline shall be imposed by DBW for the work to be completed by Agency B.
- 3) Agency B pays for all contractor invoices, as is required with the SAVE grant.
- 4) The 10% required match is the obligation of Agency B and may be met with cash, in-kind services, or a combination of both.
- 5) To obtain reimbursement, Agency B will required to supply the following to Agency A:
 - a. A Tax Identification Form (W-9)
 - b. All requirements/documents apply as outlined in this agreement under #26
 - c. A statement on Agency B's letterhead invoicing Agency A for the total reimbursement request.
 - d. Copies of completed forms and support documents to DBW for pre-approval.
- 6) Agency A completes the following actions:
 - a. Upon approval by DBW, pay Agency B the invoiced amount within 30 days and record as a pass-through grant (or use your accounting method preference).
 - b. Complete DBW's AWAFF and/or VTIP Reimbursement Claim Form and attach all supporting documents as listed in item b, c & d above, including the verification of payment to Agency B i.e., cancelled check or statement

from Agency B of payment received.

- c. Email the documents to the DBW program administrator for review. Once reviewed and approved, send finalized claim forms to DBW for payment processing.

DBW will act as a courtesy liaison between the agencies to ensure (as much as possible) that documents are correctly processed.

b. **INDEMNIFICATION**

Grantee and sub grantee (hereafter known as Agency A and Agency B) shall be responsible for, and DPR shall not be answerable or accountable in any manner for, any loss or expense by reason of any damage or injury to person or property, or both, arising out of or related in any way to activities carried out by Agency A and B, its agents, officers, contractors, subcontractors and/or employees, under this Agreement Agency A and B shall protect, hold harmless, indemnify and defend DPR, its agents, officers, and/or employees against any and all actions, claims, and damages to persons or property, penalties, obligations and liabilities that may be asserted or claimed by any person, firm, association, entity, corporation, political subdivision, or other organization or person arising out of or in connection with Agency A and B's contractor's or subcontractor's activities hereunder, whether or not there is concurrent passive negligence on the part of DPR, its agents, officers, and/or employees.

If Agency B is a recipient of a current SAVE grant, as depleted or with insufficient funds for removal project, and receives assistance through the Funds Assist process, all provisions of the SAVE grant applies.

Approver initials: _____ Date: _____
Name: _____
Title: _____

29. 90-DAY RETURN OF GRANT DOCUMENTS TO DBW

Grant agreements issued to the awarded agency must be completed and returned within 90 days of the date of issuance according to the instructions issued by DBW with the grant agreement. If extenuating circumstances prevent the ability of the agency to meet this deadline, approval from DBW must be obtained in writing. DBW retains the right to determine approval or denial of extensions.

30. ANTI-CORRUPTION

SAVE grantees are required to report to DBW any written, suggested, or verbally implied cases whereby a contractor, subcontractor or other service provider increases their fee(s) due to the existence of a Grantee's SAVE grant, or inquires about the amount/balance of a SAVE grant in order to increase their fee(s), for possible investigation of price gouging. A two year history of charges applied to work of all known SAVE grant work by that contractor will be required by DBW for review.

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. **APPROVAL:**

This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Grantee may not commence performance until such approval has been obtained.

2. **EFFECTIVE DATE:**

Effective date means either the start date or the approval date by the Department of General Services (DGS), whichever is later. In cases where DGS approval is not required, this Agreement is of no force or effect until the date of the last DBW signature. No work shall commence until the effective date.

3. **AMENDMENT:**

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

4. **ASSIGNMENT:**

This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of the State in the form of a formal written amendment.

5. **AUDIT:**

Grantee agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. **Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated.** Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

6. **INDEMNIFICATION:**

Grantee agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the subcontractor or Grantee in the performance of this Agreement.

7. **DISPUTES:**

Grantee shall continue with the responsibilities under this Agreement during any dispute.

8. **TERMINATION FOR CAUSE:**

The State may terminate this Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Agreement at the time and in the manner

herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Grantee under this Agreement and the balance, if any, shall be paid to the Grantee upon demand.

9. RECYCLING CERTIFICATION:

The Grantee shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE:

During the performance of this Agreement, Grantee and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Grantee and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES:

The GRANTEE CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS:

Time is of the essence in this Agreement.

13. COMPENSATION:

The consideration to be paid Grantee, as provided herein, shall be in compensation for all of Grantee's expenses incurred in the performance hereof, as outlined in Exhibit B, item #1.

14. GOVERNING LAW:

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS:

The Grantee by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Grantee shall comply with the requirements of the Government Codes Sections set out below.

- a. The Government Code Chapter on Antitrust claims contains the following definitions:
 - 1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
 - 2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
- b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.
- c. . If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
- d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT:

For any Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code 7110, that:

- a. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b. The Grantee, to the best of its knowledge is fully complying with the earnings

assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION:

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS:

If this Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

- a. If for this Agreement Grantee made a commitment to achieve small business participation, then Grantee must within 60 days of receiving final payment under this Agreement (or within such other time period as may be specified elsewhere in this Agreement) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)
- b. If for this Agreement Grantee made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Grantee must within 60 days of receiving final payment under this Agreement (or within such other time period as may be specified elsewhere in this Agreement) certify in a report to the awarding department: (1) the total amount the prime Grantee received under the Agreement; (2) the name and address of the DVBE(s) that participated in the performance of the Agreement; (3) the amount each DVBE received from the prime Grantee; (4) that all payments under the Agreement have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER:

If this agreement involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

EXHIBIT D

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Grantee to the clause(s) listed below. This certification is made under the laws of the State of California.

Grantee Agency Name (Printed)		Federal ID Number
Los Angeles County Sheriff's Department		95-6000927
By (Authorized Signature)		
Printed Name and Title of Person Signing		
Date Executed	Executed in the County of	
	Los Angeles	

GRANTEE CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:**

Grantee has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:**

Grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Grantee may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Grantee has made false certification, or violated the certification by failing to

carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION:

Grantee certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Grantee within the immediately preceding two-year period because of Grantee's failure to comply with an order of a Federal court, which orders Grantee to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT:

Grantee hereby certifies that Grantee will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Grantee agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the agreement equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its agreement with the State.

Failure to make a good faith effort may be cause for non-renewal of a state agreement for legal services, and may be taken into account when determining the award of future contracts/agreements with the State for legal services.

5. EXPATRIATE CORPORATIONS:

Grantee hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

- a. All Grantees contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The Grantee further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.
- b. The Grantee agrees to cooperate fully in providing reasonable access to the Grantee's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the Grantee's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS:

For contracts over \$100,000 executed or amended after January 1, 2007, the Grantee certifies that Grantee is in compliance with Public Contract Code section 10295.3.

DRAFT

EXHIBIT E

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST:

Grantee needs to be aware of the following provisions regarding current or former state employees. If Grantee has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (PCC 10410):

- 1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (PCC 10411):

- 1) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Grantee violates any provisions of above paragraphs, such action by Grantee shall render this Agreement void. (PCC 10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (PCC 10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION:

Grantee needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Grantee affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT:

Grantee assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. GRANTEE NAME CHANGE:

An amendment is required to change the Grantee's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment. Any changes of the Grantee's representative shall be notified to DBW within 30 days written notice on Grantee's letterhead.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

- a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the Grantee is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
- b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate Grantee performing within the state not be subject to the franchise tax.
- c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION:

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION:

Under the State laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204:

This form must be completed by all Grantees that are not another state agency or other governmental entity.

EXHIBIT F

Bid/Proposal Attachment regarding the Darfur Contracting Act of 2008

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code sections 10475, et seq.; Stats. 2008, Ch. 272). The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with “scrutinized” companies that do business in the African nation of Sudan (of which the Darfur region is a part), for the reasons described in Public Contract Code section 10475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a)).

Therefore, Public Contract Code section 10478 (a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a “scrutinized” company when it submits a bid or proposal to a State agency. (See # 1 on the sample Attachment).

A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from the Department of General Services (DGS) according to the criteria set forth in Public Contract Code section 10477(b). (See # 2 on the sample Attachment).

The following sample Attachment may be included in an IFB or RFP to satisfy the Act's certification requirements of bidders and proposers.

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EXHIBIT F – DARFUR CONTRACTING ACT

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a “scrutinized” company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3): YOUR BID OR PROPOSAL WILL BE DISQUALIFIED UNLESS YOUR BID OR PROPOSAL INCLUDES THIS FORM WITH EITHER PARAGRAPH #1 OR #2 INITIALED OR PARAGRAPH #3 INITIALED AND CERTIFIED.

1. _____ We do not currently have, or we have not had within the previous three years, business activities or other operations outside of the United States.

OR

2. _____ We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.

OR

3. _____ We currently have, or we have had within the previous three years, business activities or other operations outside of the United States, but we certify below that we are not a scrutinized company as defined in Public Contract Code section 10476.

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

Grantee Agency Name (Printed)		Federal ID Number
Los Angeles County Sheriff's Department		95-6000927
By (Authorized Signature)		
Printed Name and Title of Person Signing		
,		
Date Executed	Executed in the County of	
	Los Angeles	

YOUR BID OR PROPOSAL WILL BE DISQUALIFIED UNLESS YOUR BID OR PROPOSAL INCLUDES THIS FORM WITH EITHER PARAGRAPH #1 OR #2 INITIALED OR PARAGRAPH #3 INITIALED AND CERTIFIED

General**1 Applicant Information**

- a. Applicant Name Los Angeles County Sheriff's Department
b. Organizational Unit 10
c. Address 211 W. Temple Street
d. Address 2
e. City Los Angeles State CA Zip 90012
f. Federal ID Number 95-6000927 Reference No. 0000003047
g. Agency Type
☐ City ☒ County
☐ Federally or State Recognized Native American Tribe ☐ District

2 Project Information

- a. Project Name Surrendered and Abandoned Vessel Exchange (SAVE) Fiscal Year 2019/2020
b. Is implementing agency same as Applicant ☐ Yes ☒ No
c. Implementing Agency Name Sheriff's Department
Address 211 W. Temple Street
City Los Angeles State CA Zip 90012
Phone (213) 229-1803 Fax
d. Project Start Date Oct-01-2019 End Date Sep-30-2021
e. Amount of Funds Requested \$80,000.00 Project Cost \$88,000.00

3 Contacts

a. Authorized Representative

Name	Ron Nohles				
Title	Deputy				
Mailing Address	13851 Fiji Way				
City	Marina del Rey	State	CA	Zip	90292
Telephone	(310) 482-6031			Fax	(323) 415-2592
E-mail Address	rcnohles@lasd.org				

b. Financial Director

Name	Brent Carlson				
Title	Harbormaster				
Mailing Address	13851 Fiji Way				
City	Marina del Rey	State	CA	Zip	90292
Telephone	(310) 482-6030			Fax	(323) 415-2942
E-mail Address	bscarlso@lasd.org				

c. Project Administrator

Name	Geoia Bearden				
Title	Others				
Mailing Address	211 West Temple Street, 6th Floor				
City	Los Angeles	State	CA	Zip	90012
Telephone	(213) 229-1804			Fax	(323) 415-6326
E-mail Address	grantsunit@lasd.org				

1. Agency Type and Area of Responsibility (AOR)

It is the intent of the Los Angeles County Sheriff's Department (LASD) to seek \$80,000.00 in grant funding from the State of California, California State Parks and Division of Boating and Waterways (DBW) through the Surrendered and Abandoned Vessel Exchange (SAVE) grant for the Fiscal Year 2019-2020.

2. Statement of Need

The Marina del Rey Harbor is continuing to undergo major renovation. As a direct result of the renovation projects, many vessels will be displaced and/or abandoned and taken into possession by the Sheriff's Department. We currently have 11 vessels that need to be disposed of and expect to have anywhere from 10 to 20 boats over the course of the fiscal year 2019-2020 that will come into our custody. We also accept vessels for turn in under the Vessel Turn in Program (VTIP). We currently have a waiting list of approximately 5 vessels and estimate and additional 5 VTIP vessels.

Budget Detail Estimated Cost Justification Abandoned Vessels and Turn In Vessels:

Current Identified Abandoned Vessels:

ADV 1 CF 2937 FD - \$1,300.00
ADV 2 CF 6932 JY - \$2,500.00
ADV 3 CF 8162 EM - \$2,300.00
ADV 4 CF 8938 EJ - \$2,500.00
ADV 5 CF 4461 KT - \$3,500.00
ADV 6 CF 7228 JV - \$2,800.00
ADV 7 CF 9071 KT - \$1,000.00
ADV 8 CF 4560 ET - \$2,800.00
ADV 9 CF 7995 HG - \$3,600.00
ADV 10 CF 0158 CZ - \$4,300.00
ADV 11 CF 8176 JN - \$900.00

Total Identified ADV's = \$27,500

Current Identified VTIP Requests:

VTIP 1 CF 5523 FJ - \$2,300.00
VTIP 2 CF 5019 KF - \$3,700.00
VTIP 3 CF 8795 EJ - \$2,700.00
VTIP 4 CF 2402 EK - \$3,200.00
VTIP 5 Reg 644003 - \$4,300.00

Total Identified VTIP's = \$16,200

Estimated additional ADV's = \$25,000 - 10 ADV's at \$2500.00 each

Estimated additional VTIP's = \$11,300 - 4 VTIP's at \$2500.00 / 1 VTIP at \$1300.00

Total Request = \$80,000

a. List of ADV's/VTIP vessels

EXHIBIT G - Grant Application: Letter of Intent, Scope of Work and Work Plan

List of current Abandon Derelict Vessels (ADV)/VTIP vessels and estimate of cost to remove them.

ADV / VTIP	Estimated Cost
ADV 1 - CF2937FD, 1973, Gregorbt, 13 Feet	1,300.00
ADV2 - CF6392JY, 1996, Macgregor, 25 Feet	2,500.00
ADV 3 - CF8162EM, 1969, Ericson, 23 Feet	2,300.00
ADV 4 - CF8938EJ, 1969, Jensenmar, 25 Feet	2,500.00
ADV 5 - CF4461KT, 1974, Coronado, 35 Feet	3,500.00
ADV 6 - CF7228JV, 1989, Bayliner, 28 Feet	2,800.00
ADV 7 - CF9071KT, 1985, Magic, 10 Feet	1,000.00
ADV 8 - CF4560ET, 1971, Luhrs, 28 Feet	2,800.00
ADV 9 - CF7995HG, 1985, Regalmar, 36 Feet	3,600.00
ADV 10 - CF0158CZ, 1966, Trojan, 43 Feet	4,300.00
ADV 11 - CF8176JN, 1989, Yamaha, 9 Feet	900
VTIP 1 - CF5523FJ, 1974, 23'	2,300
VTIP 2 - CF5019KF, 1998, 37'	3,700
VTIP 3 - CF8795EJ, 1969, 27'	2,700
VTIP 4 - CF2402EK, 1970, 32'	3,200
VTIP 5 - USCG 644003, 43'	4,300
Estimate AWAFF	20,000
Estimate VTIP	16,300
TOTAL	80,000

1. California State Senate Districts

Select one or more of the California State Senate Districts where the proposed project activities will occur. Copy and Paste the URL (http://www.legislature.ca.gov/legislators_and_districts/districts/districts.html) in your browser to determine the State Senate district(s).

- | | | | | |
|---|---|---|--|---|
| <input type="checkbox"/> State Senate 01 | <input type="checkbox"/> State Senate 02 | <input type="checkbox"/> State Senate 03 | <input type="checkbox"/> State Senate 04 | <input type="checkbox"/> State Senate 05 |
| <input type="checkbox"/> State Senate 06 | <input type="checkbox"/> State Senate 07 | <input type="checkbox"/> State Senate 08 | <input type="checkbox"/> State Senate 09 | <input type="checkbox"/> State Senate 10 |
| <input type="checkbox"/> State Senate 11 | <input type="checkbox"/> State Senate 12 | <input type="checkbox"/> State Senate 13 | <input type="checkbox"/> State Senate 14 | <input type="checkbox"/> State Senate 15 |
| <input type="checkbox"/> State Senate 16 | <input type="checkbox"/> State Senate 17 | <input type="checkbox"/> State Senate 18 | <input type="checkbox"/> State Senate 19 | <input checked="" type="checkbox"/> State Senate 20 |
| <input type="checkbox"/> State Senate 21 | <input checked="" type="checkbox"/> State Senate 22 | <input type="checkbox"/> State Senate 23 | <input type="checkbox"/> State Senate 24 | <input type="checkbox"/> State Senate 25 |
| <input checked="" type="checkbox"/> State Senate 26 | <input type="checkbox"/> State Senate 27 | <input checked="" type="checkbox"/> State Senate 28 | <input type="checkbox"/> State Senate 29 | <input checked="" type="checkbox"/> State Senate 30 |
| <input type="checkbox"/> State Senate 31 | <input type="checkbox"/> State Senate 32 | <input type="checkbox"/> State Senate 33 | <input type="checkbox"/> State Senate 34 | <input checked="" type="checkbox"/> State Senate 35 |
| <input type="checkbox"/> State Senate 36 | <input type="checkbox"/> State Senate 37 | <input type="checkbox"/> State Senate 38 | <input type="checkbox"/> State Senate 39 | <input type="checkbox"/> State Senate 40 |

2. California State Assembly Districts

Select one or more of the California State Assembly Districts where the proposed project activities will occur. Copy and Paste the URL (http://www.legislature.ca.gov/legislators_and_districts/districts/districts.html) in your browser to determine the State Assembly district(s).

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| <input type="checkbox"/> State Assembly 01 | <input type="checkbox"/> State Assembly 02 | <input type="checkbox"/> State Assembly 03 | <input type="checkbox"/> State Assembly 04 |
| <input type="checkbox"/> State Assembly 05 | <input type="checkbox"/> State Assembly 06 | <input type="checkbox"/> State Assembly 07 | <input type="checkbox"/> State Assembly 08 |
| <input type="checkbox"/> State Assembly 09 | <input type="checkbox"/> State Assembly 10 | <input type="checkbox"/> State Assembly 11 | <input type="checkbox"/> State Assembly 12 |
| <input type="checkbox"/> State Assembly 13 | <input type="checkbox"/> State Assembly 14 | <input type="checkbox"/> State Assembly 15 | <input type="checkbox"/> State Assembly 16 |
| <input type="checkbox"/> State Assembly 17 | <input type="checkbox"/> State Assembly 18 | <input type="checkbox"/> State Assembly 19 | <input type="checkbox"/> State Assembly 20 |
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| <input type="checkbox"/> State Assembly 41 | <input type="checkbox"/> State Assembly 42 | <input checked="" type="checkbox"/> State Assembly 43 | <input type="checkbox"/> State Assembly 44 |
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| <input type="checkbox"/> State Assembly 77 | <input type="checkbox"/> State Assembly 78 | <input type="checkbox"/> State Assembly 79 | <input type="checkbox"/> State Assembly 80 |

3. California Congressional Districts

Select one or more of the California Congressional Districts where the proposed project activities will occur. Copy and Paste the URL (<https://www.govtrack.us/congress/members/CA>) in your browser to determine the Congressional district(s).

- | | | |
|--|--|--|
| <input type="checkbox"/> Congressional District 1 | <input type="checkbox"/> Congressional District 2 | <input type="checkbox"/> Congressional District 3 |
| <input type="checkbox"/> Congressional District 4 | <input type="checkbox"/> Congressional District 5 | <input type="checkbox"/> Congressional District 6 |
| <input type="checkbox"/> Congressional District 7 | <input type="checkbox"/> Congressional District 8 | <input type="checkbox"/> Congressional District 9 |
| <input type="checkbox"/> Congressional District 10 | <input type="checkbox"/> Congressional District 11 | <input type="checkbox"/> Congressional District 12 |
| <input type="checkbox"/> Congressional District 13 | <input type="checkbox"/> Congressional District 14 | <input type="checkbox"/> Congressional District 15 |
| <input type="checkbox"/> Congressional District 16 | <input type="checkbox"/> Congressional District 17 | <input type="checkbox"/> Congressional District 18 |
| <input type="checkbox"/> Congressional District 19 | <input type="checkbox"/> Congressional District 20 | <input type="checkbox"/> Congressional District 21 |

EXHIBIT G - Grant Application: Letter of Intent, Scope of Work and Work Plan

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| <input type="checkbox"/> Congressional District 22 | <input type="checkbox"/> Congressional District 23 | <input type="checkbox"/> Congressional District 24 |
| <input checked="" type="checkbox"/> Congressional District 25 | <input type="checkbox"/> Congressional District 26 | <input type="checkbox"/> Congressional District 27 |
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| <input type="checkbox"/> Congressional District 49 | <input type="checkbox"/> Congressional District 50 | <input type="checkbox"/> Congressional District 51 |
| <input type="checkbox"/> Congressional District 52 | <input type="checkbox"/> Congressional District 53 | |

4. County

Select one or more of the California Counties where the proposed project activities will occur.

- | | | | | | |
|---|--|--------------------------------------|--|-------------------------------------|---|
| <input type="checkbox"/> Alameda | <input type="checkbox"/> Alpine | <input type="checkbox"/> Amador | <input type="checkbox"/> Butte | <input type="checkbox"/> Calaveras | <input type="checkbox"/> Colusa |
| <input type="checkbox"/> Contra Costa | <input type="checkbox"/> Del Norte | <input type="checkbox"/> El Dorado | <input type="checkbox"/> Fresno | <input type="checkbox"/> Glenn | <input type="checkbox"/> Humboldt |
| <input type="checkbox"/> Imperial | <input type="checkbox"/> Inyo | <input type="checkbox"/> Kern | <input type="checkbox"/> Kings | <input type="checkbox"/> Lake | <input type="checkbox"/> Lassen |
| <input checked="" type="checkbox"/> Los Angeles | <input type="checkbox"/> Madera | <input type="checkbox"/> Marin | <input type="checkbox"/> Mariposa | <input type="checkbox"/> Mendocino | <input type="checkbox"/> Merced |
| <input type="checkbox"/> Modoc | <input type="checkbox"/> Mono | <input type="checkbox"/> Monterey | <input type="checkbox"/> Napa | <input type="checkbox"/> Nevada | <input type="checkbox"/> Orange |
| <input type="checkbox"/> Placer | <input type="checkbox"/> Plumas | <input type="checkbox"/> Riverside | <input type="checkbox"/> Sacramento | <input type="checkbox"/> San Benito | <input type="checkbox"/> San Bernardino |
| <input type="checkbox"/> San Diego | <input type="checkbox"/> San Francisco | <input type="checkbox"/> San Joaquin | <input type="checkbox"/> San Luis Obispo | <input type="checkbox"/> San Mateo | <input type="checkbox"/> Santa Barbara |
| <input type="checkbox"/> Santa Clara | <input type="checkbox"/> Santa Cruz | <input type="checkbox"/> Shasta | <input type="checkbox"/> Sierra | <input type="checkbox"/> Siskiyou | <input type="checkbox"/> Solano |
| <input type="checkbox"/> Sonoma | <input type="checkbox"/> Stanislaus | <input type="checkbox"/> Sutter | <input type="checkbox"/> Tehama | <input type="checkbox"/> Trinity | <input type="checkbox"/> Tulare |
| <input type="checkbox"/> Tuolumne | <input type="checkbox"/> Ventura | <input type="checkbox"/> Yolo | <input type="checkbox"/> Yuba | | |

1. Legal authority to remove abandoned vessels

Under Harbors and Navigation Code section 523 we have the authority to remove and store vessels. Under Los Angeles County Code section 19.12.1070 the harbor master has the authority to remove and store abandoned vessels.

As a function of marine patrol, the Los Angeles County Sheriff's Department (LASD) impounds vessels. They are stored in the water adjacent to the Marina del Rey Sheriff Station in Marina del Rey, or at the department's property storage facility in East Los Angeles. Once all efforts to find responsible parties who can take charge of the vessel are exhausted, a lien sale is scheduled. All vessels not sold at the lien sale become property of the LASD and are then demolished by a private contractor.

2. Agency Experience

The Department is mandated by the Harbors and Navigation Code (Section 510-527) to provide services relative to the proper and legal removal, storage, and/or disposal of abandoned recreational vessels. Marina del Rey Harbor provides anchorage for approximately 5,000 recreational vessels. Due to the ongoing renovation of the harbor, the LASD has experienced an increase in abandoned vessels. The majority of these vessels are unseaworthy and uninhabitable. Salvage companies and charities are not interested in purchasing, or taking said vessels at no charge, due to their poor condition.

The LASD has been dealing with abandoned vessels for many years. We tow, impound and store anywhere from 50 to 60 vessels a year. Not every vessel is abandoned or turned in for disposal. Several are impounded for various reasons and the towing and storage fees are paid for by the owner and the boat returned to them. However over the years we have disposed of many vessels that have been abandoned or turned in.

3 a. Adjudication Procedures - Identifying ADV's

We have 21 anchorages in Marina del Rey. We routinely contact and meet with our "Dock Masters" to discuss many issues related to the boats and docks. All of the dock masters are aware of the abandoned vessel problem we have in Marina del Rey and try to help us identify abandoned vessels and potential vessels that may be abandoned.

Some vessels are reported to us via dockmasters and some are found abandoned offshore. In both cases the abandoned vessels is tow to our station impound dock.

3 b. Adjudication Procedures - Removal Process

When an abandoned vessel is reported to us, whether it is in a slip, moored illegally or abandoned offshore, we tow it to our storage dock if it is sea worthy. Some vessels are washed up on the local beaches during heavy surf. If it is safe for rescue personnel and practical we attempt to remove it from the beach and tow it to the station impound dock.

3 c. Adjudication Procedures - Lien procedures

We attempt to verify ownership and contact them. When we cannot contact the owner we apply for a lien with the California Department of Motor Vehicles (DMV). We advertise that we have a vessel or vessels for auction. If the vessel does not sell we apply for a "junk out" receipt from the DMV. Once we receive the "junk out" authorization from the DMV we schedule, with the salvage yard, to haul out the boat and demolish it.

3 d. Adjudication Procedures - Destruction of Vessels

Once our vessels have been deemed ready for destruction/removal from the water, they are towed to "The Boat Yard" for haul out and proper disposal. The Boat Yard is under contract with Los Angeles County for these

services.

4 a. Vessel Registration

Does your agency regularly check vessels in your AOR for current registrations? ☒ Yes ☐ No

4 b. Agency prevention efforts of abandoned vessels

Through our partnership with the state Division of Boating and Waterways, we are listed as an agency that will accept vessels under the Vessel Turn-In Program (VTIP). We also promote this with our dock masters so they can assist us in the early detection of vessels that may be abandoned. They contact the vessels owner and advise them that the LASD will take their vessel so they don't abandon it. We also advertise through our social media that we take vessels to prevent them from being abandoned.

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3. Application Questionnaire

1. Does your agency have an active local enforcement program tasked with addressing abandoned vessels in your jurisdiction? ☒ Yes ☐ No

If yes, explain in detail. If no, elaborate on your agency's efforts to create a program or if you utilize enforcement services from another agency and how.

We do not have a specific unit that only deals with abandoned water craft. However, it is part of our normal daily duties to deal with any abandoned vessels. The Harbor Operations office deals with abandoned and VTIP vessels that have been stored.

2. Does your agency have a submerged navigational hazard abatement plan (SNHAP)? This may include: 1) An established internal process outlining procedures to prevent, mitigate and process abandoned vessels; 2) Bylaws, regulations, or ordinances that help prevent or mitigate abandoned vessels. ☒ Yes ☐ No

If Yes, provide plan documentation. Upload Submerged Navigational Hazard Abatement Plan (SNHAP) documents here.

SNHAP Documentation Title	Attachment
Los Angeles County SNHAP	22550_0_LA Sheriff - Submerged Navigational.docx

If No, explain your agency's efforts to create a SNHAP and anticipated date of effect.

3. List by name and size the bodies of water or waterways in your agency's area of responsibility. If you wish to add maps or photos, please click on the BLUE arrow below to upload.

Name	Size	Attachment
Marina del Rey Looking South	1.5 square Miles	22555_0_Marina_Del_Rey_Looking_South.jpg
Los Angeles County Coastline	75 Miles of Coastline	22555_1_La_county_coastline.jpg
Catalina Island	50 miles of Coastline	22555_2_Catalina_Island.jpg
Pyramid Lake	180,000 Acres	22555_4_Pyramid_Lake.jpg
Castaic Lake	323,800 Acres	22555_5_Castaic_Lake.jpg

4. To provide additional information, please click on the Blue Arrow to add an attachment

1. Outreach / Advertising plan for implementing and / or increase the Vessel Turn-In Program

We are listed in the Department of Boating and Waterways website as a participating agency in VTIP. We frequently receive calls from people outside of our area. We advise them on a course of action if they are not in our area and not able to bring the boat to us. If they can transport the boat to our vendor then we put them on a waiting list and call them when we have availability to take the vessel. We will take boats from outside of our area as long as we don't have boats waiting to be demolished from within our area. We generally want to take in boats that are currently in the water in our area, next we will take boats that are in the water along the coast or around Catalina Island with the next group being boats that are on trailers.

Due to the ongoing dock replacement in the marina boaters are displaced without a place to put their boat. Many of these are surrendered to our department as opposed to being abandoned in the water and becoming a hazard. We work closely with our anchorages in Marnia del Rey to educate boaters that they have an option to surrender their vessel as opposed to abandoning it in the marina or along the coast and beaches.

Attachments:

[Marina del Rey Looking South 1.5 square miles](#)
[Los Angeles County Coastline 75 miles of coastline](#)
[Pyramid Lake 180,000 acres](#)
[Castaic Lake 323,800 acres](#)

2. Administrative Information

1. Please state if you will accept surrendered vessels only within Area of Responsibility (AOR) or if you will accept outside Area of Responsibility requests

☐ Within AOR

☒ Within and Outside AOR

2. Identify schedule for accepting surrendered vessels

☐ Daily

☐ Weekly

☐ Monthly

☒ As Needed

3. Location where vessels will be accepted

☐ Agency Office

☐ Local Landfill

☐ Pickup by Agency or Salvager

☒ As Needed [We prefer to have them brought to us but we can pick them up if they are local.]

4. Storage area: Does your agency have a storage area for surrendered vessels pending destruction?

☒ Yes

☐ No

If Yes, identify the type of storage area

☒ Water

☐ Land

1. Applicant Certification

Per Harbors and Navigation Code 525 (C) "A grant awarded by the department pursuant to subparagraph (A) shall be matched by a 10% contribution from the local agency receiving the grant." This matching fund may be rendered in cash, or through in-kind contributions which must be verified, and are at the discretion of DBW. These contributions may include (but are not limited to) the following: administrative costs, personnel hours, removal, and/or storage.

Grant monies WILL NOT be reimbursed by DBW unless 10% of each reimbursement claim is met.

- a. ☒ Under penalty of perjury, I certify that I have examined this application and the document(s), proposal(s), and statement(s) submitted in conjunction herewith, and that to the best of my information and belief, the information contained herein is true, accurate, correct, and complete.
- b. ☒ I certify that I am the person authorized to submit this application on behalf of the applicant.

Prepared by: Name: Ron Nohles Date: 03/28/2019

Reviewed by: Name: Brent Carlson Date: 04/03/2019

Approving Officer: Name: Timothy K. Murakami Date: 04/19/2019

DRAFT

March 17, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**ACCEPT GRANT AWARD FROM THE STATE OF CALIFORNIA DEPARTMENT OF
PARKS AND RECREATION, DIVISION OF BOATING AND WATERWAYS FOR
THE LAW ENFORCEMENT EQUIPMENT GRANT PROGRAM
(FOURTH DISTRICT) (3 VOTES)**

SUBJECT

Request Board approval authorizing the Sheriff of Los Angeles County (County) to accept and execute a grant award in the amount of \$68,725 from the State of California (State) Department of Parks and Recreation (DPR), Division of Boating and Waterways (DBW), with federal funding provided by the United States Coast Guard (USCG), Department of Homeland Security (DHS) funds, CFDA Number 97.012, for the Fiscal Year (FY) 2019-20 Law Enforcement Equipment Grant Program (Equipment Program).

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Sheriff, or his designee, as an agent for the County, to accept and execute the attached Grant Award Agreement Number C19L0615 (Agreement) with DBW, accepting grant funds from the State in the amount of \$68,725 with no match requirement to fund the Los Angeles County Sheriff's Department's (Department) Marina Del Rey (MDR) Sheriff's Station for the grant period from date fully executed through September 30, 2034.

2. Delegate to the Sheriff, or his designee, to execute and submit all other required grant documents, including but not limited to agreements, modifications, extensions and payment requests that may be necessary for the completion of the Equipment Program.
3. Delegate authority to the Sheriff, or his designee, as an agent for the County, to apply for and submit grant a grant application to DBW for the future Equipment Program years, when and if such funding becomes available.
4. Delegate authority to the Sheriff, or his designee, as an agent for the County, to accept all grant awards for the Equipment Program in future FYs, if awarded by DBW, and to execute all required grant documents, including but not limited to, agreements, modifications, extensions, and payment requests that may be necessary for completion of the Equipment Program in future FYs.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

On December 16, 2019, DBW notified the Department that the MDR Sheriff's Station was selected to receive grant funding in the amount of \$68,725 to assist with the purchase of miscellaneous equipment, such as safety equipment, dive equipment, and boat equipment. The focus of the Equipment Program is to assist MDR personnel in enforcing all boating regulations within the Harbor and Santa Monica Bay waters.

Funds in the amount of \$68,725 will be used for Services and Supplies for the purchase of the miscellaneous equipment mentioned above.

As required by the County Grants Manual, the Department shall obtain Board approval and authorization to accept the grant funding. The current procedure for requesting Board approval requires a minimum of six weeks, while the time required by DBW to complete equipment purchases is by November of each grant year. Failure to complete purchases in a timely manner would significantly impact the Department and may result in the Department's inability to claim reimbursement of funds. As such, the Department requests delegated authority to accept all future grant awards and execute all required grant documents that may be necessary for the completion of the Equipment Program in future FYs.

Implementation of Strategic Plan Goals

The Equipment Program is consistent with the County's Strategic Plan, Goal 5, Environmental Health Oversight and Monitoring, by ensuring that we continue our support and expand access to recreational and cultural opportunities for all County residents, particularly those unincorporated and high-needs areas who have traditionally

underutilized the County's beach, parks, and other recreational facilities. We can continue to do so by purchasing and maintaining our safety, dive and boat equipment.

FISCAL IMPACT/FINANCING

This will be the 11th year for the Equipment Program. Grant funds in the amount of \$68,725 will be used by Marina Del Rey Station for Services and Supplies to be fully offset by grant funding. Funding from the Budget Unit will be distributed to the Patrol Specialized and Unallocated Budget Unit.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term of the Agreement commences upon execution and terminates September 30, 2034, with requests for payment submitted no later than December 31, 2020.

The Agreement requires that the County shall be responsible for, and the DBW shall not be answerable or accountable in any manner for, any loss or expense by any reason of any damage or injury to person or property, or both, arising out or related in any way to activities carried out by the County, its agents, officers, contractors, subcontractors and/or employees under the Agreement. The County shall protect, hold harmless, indemnify, and defend the DBW, its agents, officers, and/or employees against any and all actions, claims and damages to persons or property, penalties, obligations, and liabilities that may be asserted or claimed by any person, firm, association, entity, corporation, political subdivision, or other organization or person arising out of or in connection with the County or its contractor's or subcontractor's activities under the Agreement, whether or not there is concurrent passive negligence on the part of the DBW, its agents, officers, and/or employees.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Equipment Program will have a positive impact on current services for the Marina Del Rey Harbor and Santa Monica Bay waters. The Equipment Program supports the MDR Marine Enforcement Detail, which is a 24-hour a day patrol entity actively involved in federal and state-sponsored maritime law enforcement operations and training, public safety education and enforcement and safety inspections. With over 5,000 recreational boats in MDR and 500,000 visitors to our inland lakes and waterways, the Department's personnel perform hundreds of rescues, investigate boating accidents, conduct evidence recover operations, and plan or participate in several disaster coordination events every year.

The Honorable Board of Supervisors
March 17, 2020
Page 4

CONCLUSION

Upon Board approval, please return two individually certified copies of the adopted Board letter to the Department's Grants Unit.

Sincerely,

ALEX VILLANUEVA, SHERIFF

TIMOTHY K. MURAKAMI
UNDERSHERIFF

DRAFT

TKM:GB:gb
(Fiscal Administration – Grants Unit)

c: Board of Supervisors, Justice Deputies
Celia Zavala, Executive Officer, Board of Supervisors
Sachi A. Hamai, Chief Executive Officer
Sheila Williams, Senior Manager, Chief Executive Office (CEO)
Rene Phillips, Manager, CEO
Jocelyn Ventilacion, Principal Analyst, CEO
Anna Petrosyan, Analyst, CEO
Mary C. Wickham, County Counsel
Michele Jackson, Principal Deputy County Counsel
Elizabeth D. Miller, Chief Legal Advisor, Legal Advisory Unit
Timothy K. Murakami, Undersheriff
John P. Burcher, A/Chief of Staff
Conrad Meredith, Division Director, Administrative Services Division (ASD)
Elizier Vera, Chief, Central Patrol Division
Glen C. Joe, Assistant Division Director, ASD
Richard F. Martinez, Director, Financial Program Bureau (FPB)
Karen J. Anderson, Assistant Director, FPB, Grants Unit
Vanessa C. Chow, Sergeant, ASD
Elida D. Rodriguez, Grants Manager, FPB Grants Unit
Adam R. Wright, Deputy, ASD
Colleen Murphy, Grants Supervisor, FPB, Grants Unit
Geoia M. Bearden, Grant Analyst, FPB, Grants Unit
(Grants – Boating and Waterways- Marina Del Rey-Law Enforcement Equipment Program 03-17-20)

State of California – Natural Resources Agency
DEPARTMENT OF PARKS AND RECREATION
DIVISION OF BOATING AND WATERWAYS

GRANT AGREEMENT

GRANTEE: Los Angeles County Sheriff's Department
GRANT TITLE: LAW ENFORCEMENT EQUIPMENT GRANT PROGRAM
GRANT NUMBER: C19L0615
FAIN: 3317FAS170106

TERM OF THIS AGREEMENT IS EFFECTIVE: Date Fully Executed* through September 30, 2034
through fifteen (15) years.

GRANT AGREEMENT PERFORMANCE PERIOD: Date Fully Executed* through one (1) year.

The Grantee agrees to the terms and conditions of this contract, hereinafter referred to as Agreement, and the State of California, acting through its Director of the Department of Parks and Recreation, and pursuant to the State of California agrees to fund the total state grant amount indicated below. The GRANTEE agrees to complete the SCOPE OF WORK as defined in the Agreement.

Exhibit A Standard Terms and Conditions, Exhibit B The General Terms and Conditions, Exhibit C 49 CFR 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Exhibit D Circular No. A-128, Audits of State and Local Governments, Exhibit E Suggested Language for Recycling Certification, Contractor Certification Clauses, DVBE, and Darfur Act, Exhibit F Darfur Contracting Act, and Exhibit G Boating Safety and Enforcement Equipment Grantee Application, are attached and made a part of and incorporated into the Grant Agreement.

Grantee: Los Angeles County Sheriff's Department	Agency: Department of Parks and Recreation Division of Boating and Waterways
Address: 211 W. Temple Street, Los Angeles, CA 90012	ATTN: Johanna Naughton Address: One Capitol Mall, Suite 500 Sacramento, CA 95814
Authorized Signature:	Authorized Signature:
Printed Name: TIMOTHY K. MURAKAMI	Printed Name: Keren Dill
Title of Authorized Representative: UNDERSHERIFF	Title: Staff Services Manager II
Date:	Date:

**CERTIFICATE OF FUNDING
(FOR STATE USE ONLY)**

GRANTEE: Los Angeles County Sheriff's Department

THE TERM OF THIS AGREEMENT IS: Date Fully Executed* through September 30, 2034

GRANT TITLE: LAW ENFORCEMENT EQUIPMENT GRANT PROGRAM

GRANT NUMBER: C19L0615

CONTRACT NO C19L0615	AMENDMENT NO	SUPPLIER ID 0000003047			PROJECT NO 379065600200
AMOUNT ENCUMBERED BY THIS DOCUMENT \$68,725.00	FUND DESCRIPTION Federal Trust Fund #0890			AGENCY BILLING CODE NO 032011	
REPORTING STRUCTURE 37900706	ITEM 3790-101-0890	CHAPTER 23	STATUTE 18	FISCAL YEAR 2019/20	
BUSINESS UNIT 3790	INDEX 1706	OBJECT CODE 702	ACTIVITY CODE 68393	ACCOUNT 5432000	
T.B.A. NO	<i>I hereby certify upon my own personal knowledge that the budgeted funds are available for this encumbrance.</i>				
B.R.NO	ACCOUNTING OFFICER'S SIGNATURE		DATE		

BOATING SAFETY AND ENFORCEMENT GRANT AGREEMENT

**Los Angeles County Sheriff's Department
EQUIPMENT GRANT # C19L0615**



**State of California
Department of Parks and Recreation
Division of Boating and Waterways**

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BOATING SAFETY AND ENFORCEMENT GRANT
EQUIPMENT AND OPERATION CONTRACT

SCOPE OF WORK

This GRANT AGREEMENT C19L0615 is entered into on the date all parties have signed the agreement date fully executed letter between the State of California, Department of Parks and Recreation, Division of Boating and Waterways (DEPARTMENT) and the Los Angeles County Sheriff's Department (GRANTEE). The DEPARTMENT and the GRANTEE agree as follows:

1. CONTRACT

This Contract includes

EXHIBIT A, Standard Terms and Conditions

EXHIBIT B, General Terms and Conditions

EXHIBIT C, 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, and

EXHIBIT D, Circular No. A-128, Audits of State and Local Government,

EXHIBIT E, Suggested Language for Recycling Certification, Contractor Certification Clauses, DVBE, and Darfur Act,

EXHIBIT F, Darfur Contracting Act.

EXHIBIT G BOATING SAFETY AND ENFORCEMENT EQUIPMENT GRANT APPLICATION

2. GRANT

The DEPARTMENT will make a grant to the GRANTEE of up to \$ 68,725.00 (Sixty Eight Thousand Seven Hundred Twenty Five and 00/100). This GRANT shall not exceed this amount, shall be made using Federal funds, and shall be used to purchase MISCELLANEOUS EQUIPMENT OR PATROL BOATS, as identified in the Scope of Work (Communications, Dive Gear, Marine Patrol Equipment, Safety Equipment) in accordance with **EXHIBIT A.**

3. PURCHASE COMPLETION DATE

The EQUIPMENT purchase shall be completed no later than November 30, 2020. The DEPARTMENT will make payment under this GRANT upon receipt of a written request by the GRANTEE as specified in Article III and XIII of EXHIBIT A attached hereto.

Reimbursement is due no later than December 31, 2020. Follow instructions and guidelines outlined in your fully executed letter.

4. SPECIAL PROVISIONS

- (a) GRANTEE hereby certifies that the obligations created by this GRANT do not violate the provisions of Sections 1090 to 1096 of the Government Code.
- (b) This GRANT AGREEMENT is not fully executed until signed by the DEPARTMENT, GRANTEE, and approved by the Department of General Services, if required. Grantee may not go out to bid until GRANT AGREEMENT is fully executed and equipment specifications have been approved by the DEPARTMENT.
- (c) GRANTEE hereby certifies that during the performance of this GRANT AGREEMENT, GRANTEE and any sub-grantees shall fully comply with State regulations regarding the implementation of Disabled Veteran business participation goals as set forth in ARTICLE XVI, Disabled Veteran Business Enterprise

Participation Requirements, ARTICLE XVII, Recycling Certification and ARTICLE XVIII, CONTRACTORS CERTIFICATION CLAUSES.

- (d) GRANTEE shall continue with the responsibilities of this GRANT AGREEMENT during any dispute.
- (e) Notices required between the DEPARTMENT and the GRANTEE shall be deemed to have been given when mailed to the respective addresses below, first-class postage fully prepaid thereon.
- (f) Unspent grant funds:
Agencies that do not fully spend all of their grant funds within the grant performance period, may be declined a grant award in the subsequent funding cycle.
- (g) Subvention agencies:
An agency that participates in the subvention financial aid program and does not fully spend their financial aid for the prior fiscal year may be declined a grant award in the following fiscal grant cycle.
- (h) Annual Reports:
Per 2 CFR 200 §200.328 The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Annual Reports are due by August 31, 2020 and each year thereafter for the term of the contract (15 years). Follow instructions provided in your fully executed letter to access the report template and submit the annual report.

DRAFT

EXHIBIT A
STANDARD TERMS AND CONDITIONS FOR
BOATING SAFETY AND ENFORCEMENT EQUIPMENT GRANT AGREEMENT

ARTICLE I — DEFINITIONS

- A. **AGREEMENT** means the contract to which these standard terms and conditions are appended.
- B. **PATROL BOAT** means a DEPARTMENT approved, heavy or fiberglass, equipped boat (with or without trailer and/or outboard motor) purchased for use in boating safety and law enforcement activities..
- C. **EQUIPMENT** means boating-specific equipment and patrol boats or the other support equipment used to implement or conduct boating safety and boating law enforcement activities.
- D. **PURCHASE COSTS** means those costs incurred by the GRANTEE in purchasing the EQUIPMENT; such PURCHASE COSTS shall not include any operation and maintenance costs, nor any costs incurred prior to the effective date of this GRANT, nor any indirect or overhead costs claimed by the GRANTEE.
- E. **GRANTEE FUNDS** mean any funds provided by the GRANTEE for the purchase of operation and maintenance of the EQUIPMENT.
- F. **GRANT** means a grant, using FEDERAL FUNDS, made by the DEPARTMENT to the GRANTEE to finance all or part of the PURCHASE COSTS.
- G. **EFFECTIVE DATE** means the date signed by the DEPARTMENT Accounting Officer.

ARTICLE II — TERM OF GRANT AGREEMENT

- A. The term of this GRANT AGREEMENT shall begin on the EFFECTIVE DATE of the GRANT and shall continue for FIFTEEN [15] YEARS from such date unless terminated earlier in accordance with the terms and conditions of this GRANT AGREEMENT.
- B. No amendment or variation of the terms of this GRANT AGREEMENT shall be valid unless made in writing, signed by the DEPARTMENT, GRANTEE, AND approved as required. No oral understanding or GRANT AGREEMENT not incorporated in the GRANT AGREEMENT is binding on any of the parties.

ARTICLE III — DISBURSEMENT OF GRANT

- A. The DEPARTMENT shall have no obligation to disburse the GRANT unless and until the GRANTEE obtains the prior written approval of the DEPARTMENT of the type and cost of the EQUIPMENT being purchased.
- B. The DEPARTMENT will reimburse the GRANTEE through the GRANT for the PURCHASE COSTS of the EQUIPMENT as identified in this GRANT AGREEMENT.
- C. The DEPARTMENT may make payment under this GRANT AGREEMENT upon receipt of a written payment request by the GRANTEE, such request shall be substantiated by invoices or other such evidence of PURCHASE COSTS and a signed certification that the GRANTEE complied with procurement procedures as outlined in ARTICLE XIII.

ARTICLE IV — EQUIPMENT OWNERSHIP

The DEPARTMENT shall be the legal owner of the EQUIPMENT and the GRANTEE shall not assign, mortgage, hypothecate or transfer its interest in the EQUIPMENT without the prior written approval of the DEPARTMENT.

ARTICLE V — OPERATION AND MAINTENANCE OF EQUIPMENT

- A. Pursuant to 2 CFR §200.313, the GRANTEE shall use the EQUIPMENT for the purposes of promoting boating safety and law enforcement and shall keep the EQUIPMENT available for search and rescue operations.
- B. The GRANTEE shall be responsible for the costs of operating and maintaining the EQUIPMENT; the DEPARTMENT shall not be liable for such costs.
- C. The GRANTEE shall maintain the EQUIPMENT in good repair.
- D. The GRANTEE, at its own expense, agrees to replace the EQUIPMENT if it is destroyed or rendered useless prior to the expiration of this GRANT.
- E. Representatives, agents or employees of the GRANTEE in the performance of this GRANT shall act in independent capacity and not as officers, employees or agents of the DEPARTMENT.
- F. The GRANTEE shall keep complete and accurate records of all expenditures pertaining to the purchase of EQUIPMENT and PATROL BOATS and the operation and maintenance of the EQUIPMENT and PATROL BOATS; such records shall be available and open to the DEPARTMENT at all reasonable times for inspection and audit by any authorized representative of the DEPARTMENT.
- G. Each GRANTEE shall report in writing to the DEPARTMENT within thirty (30) days of any loss or damage to any equipment purchased with grant funds.

ARTICLE VI — TERMINATION OF GRANT AGREEMENT

- A. Either DEPARTMENT or GRANTEE may unilaterally terminate this GRANT if a material breach of the GRANT is made by the other; such termination shall become effective NINETY [90] DAYS following the date of receipt by either the DEPARTMENT or the GRANTEE of a written notice of termination from the party initiating the termination.
- B. The GRANTEE may terminate this GRANT if the GRANTEE becomes financially or legally unable to comply with the terms and conditions of this GRANT AGREEMENT; such termination shall become effective NINETY [90] DAYS following receipt by the DEPARTMENT of a written notice of termination from the GRANTEE.
- C. The DEPARTMENT may terminate this GRANT immediately and be relieved of any payments should the legislative body of the GRANTEE fail to appropriate GRANTEE FUNDS or if the GRANTEE fails to perform the requirements of this Agreement at the time and in the manner herein provided; such termination to become effective upon receipt by the GRANTEE of a written termination notice from the DEPARTMENT.
- D. This GRANT shall terminate one year after the EFFECTIVE DATE specified on page 1 of the GRANT AGREEMENT if the GRANTEE has not completed the SCOPE OF WORK prior to such date.

ARTICLE VII — REVERSION OF EQUIPMENT TO DEPARTMENT

If, for any reason whatsoever, this GRANT is terminated prior to the expiration of the term of the GRANT, then the GRANTEE shall deliver the EQUIPMENT to the DEPARTMENT and shall execute any document necessary to effect appropriate changes in pertinent public records; the reversion of registered title is hereby declared to be in addition to, and not in lieu of, any other remedies for breach of this GRANT which may be available to the DEPARTMENT.

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ARTICLE VIII — LIABILITY

- A. The GRANTEE waives all claims and recourse against the DEPARTMENT, including the right to contribution for any loss or damage arising from, growing out of or in any way connected with or incident to this GRANT.
- B. GRANTEE agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by GRANTEE in the performance of this Agreement. GRANTEE warrants, represents and agrees that it and its subcontractors, employees and representatives shall at all times comply with all applicable State contracting laws, codes, rules and regulations in the performance of this Agreement.
- C. If the DEPARTMENT is named as a co-defendant, the GRANTEE shall notify the DEPARTMENT and represent it unless the DEPARTMENT elects to represent itself. If the DEPARTMENT undertakes its own defense, it shall bear its own litigation costs, expenses and attorney's fees.

ARTICLE IX — WAIVER OF RIGHTS

It is the intention of the parties hereto that from time to time either party may waive certain of its rights under this GRANT. Any waiver at this time by either party hereto of its rights with respect to a default or any other matter arising in connection with this GRANT shall not be deemed to be a waiver with respect to any other default or matter.

ARTICLE X — REMEDIES NOT EXCLUSIVE

The use by either the DEPARTMENT or GRANTEE of any remedy specified in this GRANT for the enforcement of this GRANT AGREEMENT is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

ARTICLE XI — OPINIONS AND DETERMINATIONS

Where the terms of this GRANT provide for action to be based upon the opinion, judgment, approval, review, or determination of either the DEPARTMENT or GRANTEE, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

ARTICLE XII — ASSIGNMENT OR TRANSFER OF EQUIPMENT

No assignment or transfer of this GRANT or any part hereof, rights hereunder, or interest herein by GRANTEE shall be valid unless and until it is approved in writing by the DEPARTMENT and made subject to such reasonable terms and conditions as the DEPARTMENT may impose.

ARTICLE XIII — PROCUREMENT PROCEDURES

- A. The GRANTEE may use its own procurement procedures which reflect applicable State and Local laws and regulations, provided that the procedures conform to applicable Federal law, the standards identified in **2 CFR PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS Subpart D—Post Federal Award Requirements §200.318-326**, and the specifications prepared by the GRANTEE and

approved by the DEPARTMENT. There shall be no changes, corrections, modifications or exceptions to DEPARTMENT-- approved specifications without advance written approval by the DEPARTMENT.

- B. Procurement contracts for boats must be solicited using an Invitation for Bid process. Please pay special attention to the specific procurement standards regarding advertising by your department, adequate purchase descriptions, sealed bids, and public openings.
- C. Procurement procedures used by the GRANTEE must conform to State law and regulations regarding Disabled Veteran Business Enterprise Participation Requirements, ARTICLE XVI, Recycling Certification, ARTICLE XVII, AND CONTRACTORS CERTIFICATION CLAUSES, ARTICLE XVIII. The GRANTEE is responsible, in its sole discretion, for the review of all bids for compliance.

D. **EQUIPMENT AND ELECTRONICS PROCEDUREMENT PROCEDURES:**

Grantee must obtain at least three (3) bids or rate quotations from qualified sources for each item that has a unit cost of \$10,000 or more. The bids may be obtained over the phone, but must be verified with a fax or original copy from the vendor, and must include the make, model, size, name of vendor, date, and cost of item.

E. **AWARDING AGENCY REVIEW**

- (1) Grantees and sub-grantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or services specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or sub-grantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.
- (2) Grantees and sub-grantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:
 - (A) A grantee's or sub-grantee's procurement procedures or operation fails to comply with the procurement standards in this section; or
 - (B) The procurement is expected to be awarded without competition or only one bid or offer is received in response to a solicitation; or
 - (C) The proposed award is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
 - (D) A proposed GRANT modification changes the scope of a contract.
- (3) A grantee or sub-grantee will be exempt from the pre-award review in paragraph (2)(D) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.
 - (A) A grantee or sub-grantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, a third-party contracts are awarded on a regular basis.
 - (B) A grantee or sub-grantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to reply on written assurances from the grantee or sub-grantee that it is complying with these standards. A grantee or sub-grantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

ARTICLE XIV — SUBJECT TO AUDIT

GRANTEE agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the Performance of this Agreement. GRANTEE agrees to maintain such records for possible audit for the entire fifteen (15) year term of this GRANT AGREEMENT, unless a longer period of records retention is stipulated. GRANTEE agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, GRANTEE agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement (GC 8546.7, PCC 10115 et seq., and CCR Title 2, Section 1896).

ARTICLE XV — NON-DISCRIMINATION CLAUSE

- A. During the performance of this GRANT, GRANTEE and its sub-grantees shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. GRANTEES and sub-grantees shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. GRANTEES and sub-grantees shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285.0 et seq.).

The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), are set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations and are incorporated into this GRANT by reference and made a part hereof as if set forth in full. GRANTEE and sub-grantees shall give written notice of their obligations under this clause to labor organization with which they have a collective bargaining or other agreement.

- B. GRANTEE shall include the non-discrimination and compliance provisions of this clause in all sub-grants to perform work under this GRANT.

ARTICLE XVI — DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION REQUIREMENT

- A. State law requires that State contracts have participation goals of 3% for Disabled Veteran Business Enterprises (DVBEs). Local governmental agency contracts where the State retains a proprietary interest must comply with this requirement.
- B. GRANTEE is responsible for advising all prospective bidders of responsibilities and requirements by including specific language in any and all Invitations for Bids and Requests for Proposals.
- C. The GRANTEE is responsible for reviewing all bids for compliance with the DVBE participation requirement.

ARTICLE XVII — RECYCLING CERTIFICATION

- A. State law requires that state contracts shall have Recycling Certification in writing under penalty of perjury, the minimum, if not exact, percentage of recycled content, both post consumer waste and secondary waste as defined in the Public Contract Code, Sections 12161 and 12200, in materials,

goods, or supplies offered or products used in the performance of this Agreement, regardless of whether the product meets the required recycled product percentage as defined in the Public Contract Code, Sections 12161 and 12200. Contractor may certify that the product contains zero recycled content. (PCC 10233, 10308.5, 10354)

- B. GRANTEE is responsible for advising all prospective bidders of responsibilities and requirements by including specific language in any and all Invitations for Bids and Requests for Proposals. Suggested language and forms which may be used are attached to this exhibit.
- C. The GRANTEE is responsible for reviewing all bids for compliance with Recycling Certification requirement.

ARTICLE XVIII — CONTRACTOR CERTIFICATION CLAUSES

- A. The CONTRACTOR CERTIFICATION CLAUSES contained in document CCC042017 are hereby incorporated by reference and made a part of this Agreement.
- B. GRANTEE is responsible for advising all prospective bidders of responsibilities and requirements by including specific language in any and all Invitations for Bids and Requests for Proposals. Suggested language and forms which may be used are attached to this Exhibit.
- C. The GRANTEE is responsible for reviewing all bids for compliance with Contractor Certification Clauses.

ARTICLE XIX — DISPOSITION OF PROCEEDS FROM SALE OF EQUIPMENT

If the GRANTEE has contributed money other than GRANT funds to cover the payment of PURCHASE COSTS, and in the event of a sale of the EQUIPMENT after the expiration or termination of this GRANT or the reversion of the EQUIPMENT to the DEPARTMENT, then the proceeds of the EQUIPMENT sale shall be distributed between the DEPARTMENT and the GRANTEE in proportion to their respective contributions in paying the PURCHASE COSTS, e.g.: if the PURCHASE COSTS totaled \$100,000 and the GRANT contribution amounts to \$60,000, then the DEPARTMENT would receive 60% of the EQUIPMENT sale proceeds and the GRANTEE would receive 40%.

EXHIBIT B

GENERAL TERMS AND CONDITIONS

1. APPROVAL:

This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

2. AMENDMENT:

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. ASSIGNMENT:

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. AUDIT:

Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

5. INDEMNIFICATION:

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

6. DISPUTES:

Contractor shall continue with the responsibilities under this Agreement during any dispute.

7. TERMINATION FOR CAUSE:

The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR:

Contractor, and the agents and employees of Contractor, in the performance of this

Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. RECYCLING CERTIFICATION:

The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE:

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES:

The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS:

Time is of the essence in this Agreement.

13. COMPENSATION:

The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW:

This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS:

The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

- a. The Government Code Chapter on Antitrust claims contains the following definitions:
 - 1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
 - 2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
- b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.
- c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
- d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT:

For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

- a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b. The contractor, to the best of its knowledge is fully complying with the earnings

assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION:

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS:

If this GRANT AGREEMENT includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the GRANT AGREEMENT to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

- a. If for this GRANT AGREEMENT Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)
- b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

EXHIBIT C

IN THE EVENT THAT THESE REGULATIONS ARE IN CONFLICT WITH 2 CRF 200, 2 CFR 200 WILL SUPERSEDE.

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[Code of Federal Regulations]

[Title 49, Volume 1, Parts 1 to 99]

From the U.S. Government Printing Office via GPO Access

TITLE 49—TRANSPORTATION

PART 18—UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE AND LOCAL GOVERNMENTS

Subpart A—General

Sec

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- 18.2 Scope of subpart.
- 18.3 Definitions.
- 18.4 Applicability.
- 18.5 Effect on other issuances.
- 18.6 Additions and exceptions.

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- 18.10 Forms for applying for grants.
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- 18.24 Matching or cost sharing.
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- 18.40 Monitoring and reporting program performance.
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18.51 Later disallowance's and adjustments.

18.52 Collection of amounts due.

Subpart E—Entitlements [Reserved]

Authority: 49 U.S.C. 322(a).

Source: 53 FR 8086 and 8087, Mar. 11, 1988, unless otherwise noted. Editorial Note: For additional information, see related documents published at 49 FR 24958, June 18, 1984, 52 FR 20198, May 29, 1987, and 53 FR 8028, March 11, 1988.

A - General

Sec. 18.1 Purpose and scope of this part.

This part establishes uniform administrative rules for Federal grants and cooperative agreements and sub-awards to State, local and Indian tribal governments.

Sec. 18.2 Scope of subpart.

This subpart contains general rules pertaining to this part and procedures for control of exceptions from this part.

Sec. 18.3 Definitions.

As used in this part:

Accrued expenditures mean the charges incurred by the grantee during a given period requiring the provision of funds for:

- (1) Goods and other tangible property received;
- (2) services performed by employees, contractors, sub grantees, subcontractors, and other payees; and
- (3) other amounts becoming owed under programs for which no current services or performance is required, such as annuities, insurance claims, and other benefit payments.

Accrued income means the sum of:

- (1) Earnings during a given period from services performed by the grantee and goods and other tangible property delivered to purchasers, and
- (2) amounts becoming owed to the grantee for which no current services or performance is required by the grantee.

Acquisition cost of an item of purchased equipment means the net invoice unit price of the property including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the grantee's regular accounting practices.

Administrative requirements mean those matters common to grants in general, such as financial management, kinds and frequency of reports, and retention of records. These are distinguished from "programmatic" requirements, which concern matters that can be treated only on a program-by-program or grant-by-grant basis, such as

kinds of activities that can be supported by grants under a particular program.

Awarding agency means:

- (1) with respect to a grant, the Federal agency, and
- (2) with respect to a subgrant, the party that awarded the subgrant.

Cash contributions means the grantee's cash outlay, including the outlay of money contributed to the grantee or subgrantee by other public agencies and institutions, and private organizations and individuals.

When authorized by Federal legislation, Federal funds received from other assistance agreements may be considered as grantee or subgrantee cash contributions.

Contract means (except as used in the definitions for "grant" and "subgrant" in this section and except where qualified by "Federal") a procurement contract under a grant or subgrant, and means a procurement subcontract under a contract.

Cost sharing or matching means the value of the third party in-kind contributions and the portion of the costs of a federally assisted project or program not borne by the Federal Government.

Cost-type contract means a contract or subcontract under a grant in which the contractor or subcontractor is paid on the basis of the costs it incurs, with or without a fee.

Equipment means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

Expenditure report means:

- (1) For non-construction grants, the SF-269 "Financial Status Report" (or other equivalent report);
- (2) for construction grants, the SF-271 "Outlay Report and Request for Reimbursement" (or other equivalent report).

Federally recognized Indian tribal government means the governing body or a governmental agency of any Indian tribe, band, nation, or other organized group or community (including any Native village as defined in section 3 of the Alaska Native Claims Settlement Act, 85 Stat 688) certified by the Secretary of the Interior as eligible for the special programs and services provided by him through the Bureau of Indian Affairs.

Government means a State or local government or a federally recognized Indian tribal government.

Grant means an award of financial assistance, including cooperative agreements, in the form of money, or property in lieu of money, by the Federal Government to an eligible grantee. The term does not include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Also, the term does not include assistance, such as a fellowship or other lump sum award,

which the grantee is not required to account for.

Grantee means the government to which a grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity even if only a particular component of the entity is designated in the grant award document.

Local government means a county, municipality, city, town, township, local public authority (including any public and Indian housing agency under the United States Housing Act of 1937) school district, special district, intrastate district, council of governments (whether or not incorporated as a nonprofit corporation under state law), any other regional or interstate government entity, or any agency or instrumentality of a local government.

Obligations means the amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment by the grantee during the same or a future period.

OMB means the United States Office of Management and Budget.

Outlays (expenditures) mean charges made to the project or program. They may be reported on a cash or accrual basis. For reports prepared on a cash basis, outlays are the sum of actual cash disbursement for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the amount of cash advances and payments made to contractors and subgrantees. For reports prepared on an accrued expenditure basis, outlays are the sum of actual cash disbursements, the amount of indirect expense incurred, the value of in-kind contributions applied, and the new increase (or decrease) in the amounts owed by the grantee for goods and other property received, for services performed by employees, contractors, subgrantees, subcontractors, and other payees, and other amounts becoming owed under programs for which no current services or performance are required, such as annuities, insurance claims, and other benefit payments.

Percentage of completion method refers to a system under which payments are made for construction work according to the percentage of completion of the work, rather than to the grantee's cost incurred.

Prior approval means documentation evidencing consent prior to incurring specific cost.

Real property means land, including land improvements, structures and appurtenances thereto, excluding movable machinery and equipment.

Share, when referring to the awarding agency's portion of real property, equipment or supplies, means the same percentage as the awarding agency's portion of the acquiring party's total costs under the grant to which the acquisition costs under the grant to which the acquisition cost of the property was charged. Only costs are to be counted—not the value of third-party in-kind contributions.

State means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments. The term

does not include any public and Indian housing agency under United States Housing Act of 1937.

Subgrant means an award of financial assistance in the form of money, or property in lieu of money, made under a grant by a grantee to an eligible subgrantee. The term includes financial assistance when provided by contractual legal agreement, but does not include procurement purchases, nor does it include any form of assistance which is excluded from the definition of "grant" in this part.

Subgrantee means the government or other legal entity to which a subgrant is awarded and which is accountable to the grantee for the use of the funds provided.

Supplies means all tangible personal property other than "equipment" as defined in this part. Suspension means depending on the context, either:

- (1) temporary withdrawal of the authority to obligate grant funds pending corrective action by the grantee or subgrantee or a decision to terminate the grant, or
- (2) an action taken by a suspending official in accordance with agency regulations implementing E.O. 12549 to immediately exclude a person from participating in grant transactions for a period, pending completion of an investigation and such legal or debarment proceedings as may ensue.

Termination means permanent withdrawal of the authority to obligate previously-awarded grant funds before that authority would otherwise expire. It also means the voluntary relinquishment of that authority by the grantee or subgrantee. "Termination" does not include:

- (1) Withdrawal of funds awarded on the basis of the grantee's underestimate of the unobligated balance in a prior period;
- (2) Withdrawal of the unobligated balance as of the expiration of a grant;
- (3) Refusal to extend a grant or award additional funds, to make a competing or noncompeting continuation, renewal, extension, or supplemental award; or
- (4) voiding of a grant upon determination that the award was obtained fraudulently, or was otherwise illegal or invalid from inception.

Terms of a grant or subgrant mean all requirements of the grant or subgrant, whether in statute, regulations, or the award document.

Third party in-kind contributions mean property or services which benefit a federally assisted project or program and which are contributed by non-Federal third parties without charge to the grantee, or a cost-type contractor under the grant agreement.

Unliquidated obligations for reports prepared on a cash basis mean the amount of obligations incurred by the grantee that has not been paid. For reports prepared on an accrued expenditure basis, they represent the amount of obligations incurred by the grantee for which an outlay has not been recorded.

Unobligated balance means the portion of the funds authorized by the Federal agency that has not been obligated by the grantee and is determined by deducting the cumulative obligations from the cumulative funds authorized.

Sec. 18.4 Applicability.

- (a) General. Subparts A through D of this part apply to all grants and subgrants

to governments, except where inconsistent with Federal statutes or with regulations authorized in accordance with the exception provision of Sec. 18.6, or:

- (1) Grants and subgrants to State and local institutions of higher education or State and local hospitals.
- (2) The block grants authorized by the Omnibus Budget Reconciliation Act of 1981 (Community Services; Preventive Health and Health Services; Alcohol, Drug Abuse, and Mental Health Services; Maternal and Child Health Services; Social Services; Low-Income Home Energy Assistance; States' Program of Community Development Block Grants for Small Cities; and Elementary and Secondary Education other than programs administered by the Secretary of Education under title V, subtitle D, chapter 2, Section 583—the Secretary's discretionary grant program) and titles I-III of the Job Training Partnership Act of 1982 and under the Public Health Services Act (Section 1921), Alcohol and Drug Abuse Treatment and Rehabilitation Block Grant and part C of title V, Mental Health Service for the Homeless Block Grant).
- (3) Entitlement grants to carry out the following programs of the Social Security Act.
 - (i) Aid to Needy Families with Dependent Children (title IV-A of the Act, not including the Work Incentive Program (WIN) authorized by section 402(a)(19)(G); HHS grants for WIN are subject to this part);
 - (ii) Child Support Enforcement and Establishment of Paternity (title IV-D of the Act);
 - (iii) Foster Care and Adoption Assistance (title IV-E of the Act);
 - (iv) Aid to the Aged, Blind, and Disabled (titles I, X, XIV, and XVI-AABD of the Act); and
 - (v) Medical Assistance (Medicaid) (title XIX of the Act) not including the State Medicaid Fraud Control program authorized by section 1903(a)(6)(B).
- (4) Entitlement grants under the following programs of The National School Lunch Act:
 - (i) School Lunch (section 4 of the Act),
 - (ii) Commodity Assistance (section 6 of the Act),
 - (iii) Special Meal Assistance (section 11 of the Act),
 - (iv) Summer Food Service for Children (section 13 of the Act), and
 - (v) Child Care Food Program (section 17 of the Act).
- (5) Entitlement grants under the following programs of The Child Nutrition Act of 1966:
 - (i) Special Milk (section 3 of the Act), and
 - (ii) School Breakfast (section 4 of the Act).
- (6) Entitlement grants for State Administrative expenses under The Food Stamp Act of 1977 (section 16 of the Act).
- (7) A grant for an experimental, pilot, or demonstration project that is also supported by a grant listed in paragraph (a)(3) of this section;
- (8) Grant funds awarded under subsection 412(e) of the Immigration and

Nationality Act (8 U.S.C. 1522(e)) and subsection 501(a) of the Refugee Education Assistance Act of 1980 (Pub. L.96-422, 94 Stat. 1809), for cash assistance, medical assistance, and supplemental security income benefits to refugees and entrants and the administrative costs of providing the assistance and benefits;

- (9) Grants to local education agencies under 20 U.S.C. 236 through 241-1(a), and 242 through 244 (portions of the Impact Aid program), except for 20 U.S.C. 238(d)(2)(c) and 240(f) (Entitlement Increase for Handicapped Children); and
- (10) Payments under the Veterans Administration's State Home Per Diem Program (38 U.S.C. 641(a)).
- (b) Entitlement programs. Entitlement programs enumerated above in Sec. 18.4(a) (3) through (8) are subject to subpart E.

Sec. 18.5 Effect on other issuance's.

All other grants administration provisions of codified program regulations, program manuals, handbooks and other nonregulatory materials which are inconsistent with this part are superseded, except to the extent they are required by statute, or authorized in accordance with the exception provision in Sec. 18.6.

Sec. 18.6 Additions and exceptions.

- (a) For classes of grants and grantees subject to this part, Federal agencies may not impose additional administrative requirements except in codified regulations published in the Federal Register.
- (b) Exceptions for classes of grants or grantees may be authorized only by OMB.
 - (1) All Departmental requests for exceptions shall be processed through the Assistant Secretary of Administration.
 - (2) [Reserved]
- (c) Exceptions on a case-by-case basis and for subgrantees may be authorized by the affected Federal agencies.
 - (1) All case-by-case exceptions may be authorized by the affected operating administrations or departmental offices, with the concurrence of the Assistant Secretary for Administration.
 - (2) [Reserved]

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 60 FR 19646, Apr. 19, 1995] Subpart B - Pre-Award Requirements

Sec. 18.10 Forms for applying for grants.

- (a) Scope
 - (1) This section prescribes forms and instructions to be used by governmental organizations (except hospitals and institutions of higher education operated by a government) in applying for grants. This section is not applicable, however, to formula grant programs which do not require applicants to apply for funds on a project basis.
 - (2) This section applies only to applications to Federal agencies for grants, and is not required to be applied by grantees in dealing with applicants for subgrants. However, grantees are encouraged to avoid more

detailed or burdensome application requirements for subgrants.

- (3) Forms and procedures for Federal Highway Administration (FHWA) projects are contained in 23 CFR part 630, subpart B, 23 CFR part 420, subpart A, and 49 CFR part 450.
- (b) Authorized forms and instructions for governmental organizations.
- (1) In applying for grants, applicants shall only use standard application forms or those prescribed by the granting agency with the approval of OMB under the Paperwork Reduction Act of 1980.
 - (2) Applicants are not required to submit more than the original and two copies of pre-applications or applications.
 - (3) Applicants must follow all applicable instructions that bear OMB clearance numbers. Federal agencies may specify and describe the programs, functions, or activities that will be used to plan, budget, and evaluate the work under a grant. Other supplementary instructions may be issued only with the approval of OMB to the extent required under the Paperwork Reduction Act of 1980. For any standard form, except the SF-424 face sheet, Federal agencies may shade out or instruct the applicant to disregard any line item that is not needed.
 - (4) When a grantee applies for additional funding (such as a continuation supplemental award) or amends a previously submitted application, only the affected pages need be submitted. Previously submitted pages with information that is still current need not be resubmitted.[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8086, Mar. 11, 1988]Sec. 18.11 State plans.
- (a) **Scope.** The statutes for some programs require States to submit plans before receiving grants. Under regulations implementing Executive Order 12372, "Intergovernmental Review of Federal Programs," States are allowed to simplify, consolidate and substitute plans. This section contains additional provisions for plans that are subject to regulations implementing the Executive order.
- (b) **Requirements.** A State need meet only Federal administrative or programmatic requirements for a plan that are in statutes or codified regulations.
- (c) **Assurances.** In each plan the State will include an assurance that the State shall comply with all applicable Federal statutes and regulations in effect with respect to the periods for which it receives grant funding. For this assurance and other assurances required in the plan, the State may:
- (1) Cite by number the statutory or regulatory provisions requiring the assurances and affirm that it gives the assurances required by those provisions,
 - (2) Repeat the assurance language in the statutes or regulations, or
 - (3) Develop its own language to the extent permitted by law.
- (d) **Amendments.** A State will amend a plan whenever necessary to reflect:
- (1) New or revised Federal statutes or regulations or (2) a material change in any State law, organization, policy, or State agency operation. The

State will obtain approval for the amendment and its effective date but need submit for approval only the amended portions of the plan.

Sec. 18.12 Special grant or subgrant conditions for “high-risk” grantees.

- (a) A grantee or subgrantee may be considered “high risk” if an awarding agency determines that a grantee or subgrantee:
 - (1) Has a history of unsatisfactory performance, or
 - (2) Is not financially stable, or
 - (3)) Has a management system which does not meet the management standards set forth in this part, or
 - (4) Has not conformed to terms and conditions of previous awards;
 - (5) Is otherwise not responsible; and if the awarding agency determines that an award will be made, special conditions and/or restrictions shall correspond to the high risk condition and shall be included in the award.
- (b) Special conditions or restrictions may include:
 - (1) Payment on a reimbursement basis;
 - (2) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given funding period;
 - (3) Requiring additional, more detailed financial reports;
 - (4) Additional project monitoring;
 - (5) Requiring the grantee or subgrantee to obtain technical or management assistance; or
 - (6) Establishing additional prior approvals.
- (c) If an awarding agency decides to impose such conditions, the awarding official will notify the grantee or subgrantee as early as possible, in writing, of:
 - (1) The nature of the special conditions/restrictions;
 - (2) The reason(s) for imposing them;
 - (3) The corrective actions which must be taken before they will be removed and the time allowed for completing the corrective actions; and
 - (4) The method of requesting reconsideration of the conditions/ restrictions imposed.

Subpart C—Post-Award Requirements Financial Administration

Sec. 18.20 Standards for financial management systems.

- (a) A State must expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to:
 - (1) Permit preparation of reports required by this part and the statutes authorizing the grant, and
 - (2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.
- (b) The financial management systems of other grantees and subgrantees must

meet the following standards:

- (1) **Financial reporting.** Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.
- (2) **Accounting records.** Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.
- (3) **Internal control.** Effective control and accountability must be maintained for all grant and subgrant cash, real and personal property, and other assets. Grantees and subgrantees must adequately safeguard all such property and must assure that it is used solely for authorized purposes.
- (4) **Budget control.** Actual expenditures or outlays must be compared with budgeted amounts for each grant or subgrant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or subgrant agreement. If unit cost data are required, estimates based on available documentation will be accepted whenever possible.
- (5) **Allowable cost.** Applicable OMB cost principles, agency program regulations, and the terms of grant and subgrant agreements will be followed in determining the reasonableness, allow ability, of costs.
- (6) **Source documentation.** Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.
- (7) **Cash management.** Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must establish reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter-of-credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements. Grantees must monitor cash drawdowns by their subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees.

- (c) An awarding agency may review the adequacy of the financial management

system of any applicant for financial assistance as part of a preaward review or at any time subsequent to award.

- (d) Certain Urban Mass Transportation Administration (UMTA) grantees shall comply with the requirements of section 15 of the Urban Mass Transportation (UMT) Act of 1964, as amended, as implemented by 49 CFR part 630, regarding a uniform system of accounts and records and a uniform reporting system for certain grantees.[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8086, Mar. 11, 1988]

Sec. 18.21 Payment.

- (a) **Scope.** This section prescribes the basic standard and the methods under which a Federal agency will make payments to grantees, and grantees will make payments to subgrantees and contractors.
- (b) **Basic standard.** Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or subgrantee, in accordance with Treasury regulations at 31 CFR part 205.
- (c) **Advances.** Grantees and subgrantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee.
- (d) **Reimbursement.** Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and subgrantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or subgrantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or subgrantee will be based on the grantee's or subgrantee's actual rate of disbursement.
- (e) **Working capital advances.** If a grantee cannot meet the criteria for advance payments described in paragraph (c) of this section, and the Federal agency has determined that reimbursement is not feasible because the grantee lacks sufficient working capital, the awarding agency may provide cash or a working capital advance basis.

Under this procedure the awarding agency shall advance cash to the grantee to cover its estimated disbursement needs for an initial period generally geared to the grantee's disbursing cycle. Thereafter, the awarding agency shall reimburse the grantee for its actual cash disbursements. The working capital advance method of payment shall not be used by grantees or subgrantees if the reason for using such method is the unwillingness or inability of the grantee to provide timely advances to the subgrantee to meet the sub subgrantee's actual cash disbursements.

- (f) **Effect of program income, refunds, and audit recoveries on payment.**
 - (1) Grantees and subgrantees shall disburse repayments to and interest earned on a revolving fund before requesting additional cash payments

for the same activity.

- (2) Except as provided in paragraph (f) (1) of this section, grantees and subgrantees shall disburse program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting additional cash payments.

(g) Withholding payments

- (1) Unless otherwise required by Federal statute, awarding agencies shall not withhold payments for proper charges incurred by grantees or subgrantees unless;
 - (i) The grantee or subgrantee has failed to comply with grant award conditions or
 - (ii) The grantee or subgrantee is indebted to the United States.
- (2) Cash withheld for failure to comply with grant award condition, but without suspension of the grant, shall be released to the grantee upon subsequent compliance. When a grant is suspended, payment adjustments will be made in accordance with Sec. 18.43(c).
- (3) A Federal agency shall not make payment to grantees for amounts that are withheld by grantees or subgrantees from payment to contractors to assure satisfactory completion of work. Payments shall be made by the Federal agency when the grantees or subgrantees actually disburse the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(h) Cash depositories.

- (1) Consistent with the national goal of expanding the opportunities for minority business enterprises, grantees and subgrantees are encouraged to use minority banks (a bank which is owned at least 50 percent by minority group members). A list of minority owned banks can be obtained from the Minority Business Development Agency, Department of Commerce, Washington, DC 20230.
 - (2) A grantee or subgrantee shall maintain a separate bank account only when required by Federal-State agreement.
- (i) Interest earned on advances. Except for interest earned on advances of funds exempt under the Intergovernmental Cooperation Act (31 U.S.C. 6501 et seq.) and the Indian Self-Determination Act (23 U.S.C. 450), grantees and subgrantees shall promptly, but at least quarterly, remit interest earned on advances to the Federal agency. The grantee or subgrantee may keep interest amounts up to \$100 per year for administrative expenses.
- (j) 23 U.S.C. 121 limits payments to States for highway construction projects to the Federal share of the costs of construction incurred to date, plus the Federal share of the value of stockpiled materials.
- (k) Section 404 of the Surface Transportation Assistance Act of 1982 directs the Secretary to reimburse States for the Federal share of costs incurred. [53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8086, Mar. 11, 1988]

Sec. 18.22 Allowable costs.

- (a) **Limitation on use of funds.** Grant funds may be used only for:

- (1) The allowable costs of the grantees, subgrantees and cost-type contractors, including allowable costs in the form of payments to fixed-price contractors; and
 - (2) Reasonable fees or profit to cost-type contractors but not any fee or profit (or other increment above allowable costs) to the grantee or subgrantee.
- (b) Applicable cost principles. For each kind of organization, there is a set of Federal principles for determining allowable costs. Allowable costs will be determined in accordance with the cost principles applicable to the organization incurring the costs. The following chart lists the kinds of organizations and the applicable cost principles.
- (c) The overhead cost principles of OMB Circular A-87 shall not apply to State highway agencies for FHWA funded grants.
- (d) Sections 3(1) and 9(p) of the UMT Act of 1964, as amended, authorize the Secretary to include in the net project cost eligible for Federal assistance, the amount of interest earned and payable on bonds issued by the State or local public body to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion thereof. Limitations are established in sections 3 and 9 of the UMT Act of 1964, as amended.
- (e) Section 9 of the UMT Act of 1964, as amended, authorizes grants to finance the leasing of facilities and equipment for use in mass transportation services provided leasing is more cost effective than acquisition or construction.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8086, Mar. 11, 1988]

Sec. 18.23 Period of availability of funds.

- (a) **General.** Where a funding period is specified, a grantee may charge to the award only costs resulting from obligations of the funding period unless carryover of unobligated balances is permitted, in which case the carryover balances may be charged for costs resulting from obligations of the subsequent funding period.
- (b) **Liquidation of obligations.** A grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of the annual Financial Status Report (SF-269). The Federal agency may extend this deadline at the request of the grantee.

Sec. 18.24 Matching or cost sharing.

- (a) **Basic rule:** Costs and contributions acceptable. With the qualifications and exceptions listed in paragraph (b) of this section, a matching or cost sharing requirement may be satisfied by either or both of the following:
- (1) Allowable costs incurred by the grantee, subgrantee or a cost-type contractor under the assistance agreement. This includes allowable costs borne by non-Federal grants or by others cash donations from non-Federal third parties.
 - (2) The value of third party in-kind contributions applicable to the period to which the cost sharing or matching requirements applies.
- (b) **Qualifications and exceptions-**

- (1) Costs borne by other Federal grant agreements. Except as provided by Federal statute, a cost sharing or matching requirement may not be met by costs borne by another Federal grant. This prohibition does not apply to income earned by a grantee or subgrantee from a contract awarded under another Federal grant.
- (2) General revenue sharing. For the purpose of this section, general revenue sharing funds distributed under 31 U.S.C. 6702 are not considered Federal grant funds.
- (3) Cost or contributions counted towards other Federal costs--sharing requirements. Neither costs nor the values of third party in-kind contributions may count towards satisfying a cost sharing or matching requirement of a grant agreement if they have been or will be counted towards satisfying a cost sharing or matching requirement of another Federal grant agreement, a Federal procurement contract, or any other award of Federal funds.
- (4)) Costs financed by program income. Costs financed by program income, as defined in Sec. 18.25, shall not count towards satisfying a cost sharing or matching requirement unless they are expressly permitted in the terms of the assistance agreement. (This use of general program income is described in Sec. 18.25(g).)
- (5) Services or property financed by income earned by contractors. Contractors under a grant may earn income from the activities carried out under the contract in addition to the amounts earned from the party awarding the contract. No costs of services or property supported by this income may count toward satisfying a cost sharing or matching requirement unless other provisions of the grant agreement expressly permit this kind of income to be used to meet the requirement.
- (6) Records. Costs and third party in-kind contributions counting towards satisfying a cost sharing or matching requirement must be verifiable from the records of grantees and subgrantee or cost-type contractors. These records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services will be supported by the same methods that the organization uses to support the allocability of regular personnel costs.
- (7) Special standards for third party in-kind contributions.
 - (i) Third party in-kind contributions count towards satisfying a cost sharing or matching requirement only where, if the party receiving the contributions were to pay for them, the payments would be allowable costs.
 - (ii) Some third party in-kind contributions are goods and services that, if the grantee, subgrantee, or contractor receiving the contribution had to pay for them, the payments would have been an indirect costs. Costs sharing or matching credit for such contributions shall be given only if the grantee, subgrantee, or contractor has established, along with its regular indirect cost rate, a special rate for allocating to individual projects or programs the value of the contributions.
 - (iii) A third party in-kind contribution to a fixed-price contract may count towards satisfying a cost sharing or matching requirement only if it

results in:

- (A)) An increase in the services or property provided under the contract (without additional cost to the grantee or subgrantee) or
- (B) A cost savings to the grantee or subgrantee.
- (iv) The values placed on third party in-kind contributions for cost sharing or matching purposes will conform to the rules in the succeeding sections of this part. If a third party in-kind contribution is a type not treated in those sections, the value placed upon it shall be fair and reasonable.
- (8) 23 U.S.C. 121(a) permits reimbursement for actual construction cost incurred by States for highway construction projects. Except for private donations of right-of-way, contributions and donations shall not be considered State costs, and shall not be allowable for matching purposes for highway construction contracts. 23 U.S.C. 323 permits private donations of right-of-way to be used for a State's matching share, and establishes procedures for determining the fair market value of such donated right-of-way.
- (9) Section 4(a) of the UMT Act of 1964, as amended, provides that the Federal grant for any project to be assisted under section 3 of the UMT Act of 1964, as amended, shall be in an amount equal to 75 percent of the net project costs. Net project cost is defined as that portion of the cost of the project which cannot be reasonably financed from revenues.
- (10) Section 18(e) of the UMT Act of 1964, as amended, limits the Federal share to 80 percent of the net cost of construction, as determined by the Secretary of Transportation. The Federal share for the payment of subsidies for operating expenses, as defined by the Secretary, shall not exceed 50 percent of the net cost of such operating expense projects.

(c) **Valuation of donated services-**

- (1) Volunteer services. Unpaid services provided to a grantee or subgrantee by individuals will be valued at rates consistent with those ordinarily paid for similar work in the grantee's or subgrantee's organization. If the grantee or subgrantee does not have employees performing similar work, the rates will be consistent with those ordinarily paid by other employers for similar work in the same labor market. In either case, a reasonable amount for fringe benefits may be included in the valuation. Employees of other organizations. When an employer other than a grantee, subgrantee, or cost-type contractor furnishes free of charge the services of an employee in the employee's normal line of work, the services will be valued at the employee's regular rate of pay exclusive of the employee's fringe benefits and overhead costs. If the services are in a different line of work, paragraph (c)(1) of this section applies.
- (3) Section 5(g) of the Department of Transportation Act (49 U.S.C. 1654(g)) limits in-kind service contributions under the local Rail Service Assistance Program to "the cash equivalent of State salaries for State public employees working in the State rail assistance program, but not

including overhead and general administrative costs.”

- (d) Valuation of third party donated supplies and loaned equipment or space.(1)
If a third party donates supplies, the contribution will be valued at the market value of the supplies at the time of donation.
(2)) If a third party donates the use of equipment or space in a building but retains title, the contribution will be valued at the fair rental rate of the equipment or space.
- (e) Valuation of third party donated equipment, buildings, and land.
If a third party donates equipment, buildings, or land, and title passes to a grantee or subgrantee, the treatment of the donated property will depend upon the purpose of the grant or subgrant, as follows:
 - (1) Awards for capital expenditures. If the purpose of the grant or subgrant is to assist the grantee or subgrantee in the acquisition of property, the market value of that property at the time of donation may be counted as cost sharing or matching,
 - (2) Other awards. If assisting in the acquisition of property is not the purpose of the grant or subgrant, paragraphs (e)(2) (i) and (ii) of this section apply:
 - (i) If approval is obtained from the awarding agency, the market value at the time of donation of the donated equipment or buildings and the fair rental rate of the donated land may be counted as cost sharing or matching. In the case of a subgrant, the terms of the grant agreement may require that the approval be obtained from the Federal agency as well as the grantee. In all cases, the approval may be given only if a purchase of the equipment or rental of the land would be approved as an allowable direct cost. If any part of the donated property was acquired with Federal funds, only the non-federal share of the property may be counted as cost-sharing or matching.
 - (ii) If approval is not obtained under paragraph (e)(2)(i) of this section, no amount may be counted for donated land, and only depreciation or use allowances may be counted for donated equipment and buildings. The depreciation or use allowances for this property are not treated as third party in-kind contributions. Instead, they are treated as costs incurred by the grantee or subgrantee. They are computed and allocated (usually as indirect costs) in accordance with the cost principles specified in Sec. 18.22, in the same way as depreciation or use allowances for purchased equipment and buildings. The amount of depreciation or use allowances for donated equipment and buildings is based on the property's market value at the time it was donated.
- (f) Valuation of grantee or subgrantee donated real property for construction/acquisition. If a grantee or subgrantee donates real property for a construction or facilities acquisition project, the current market value of that property may be counted as cost sharing or matching. If any part of the donated property was acquired with Federal funds, only the non-federal share of the property may be counted as cost sharing or matching.
- (g) Appraisal of real property. In some cases under paragraphs (d),(e) and (f) of this section, it will be necessary to establish the market value of land or a building or the fair rental rate of land or of space in a building. In these

cases, the Federal agency may require the market value or fair rental value be set by an independent appraiser, and that the value or rate be certified by the grantee. This requirement will also be imposed by the grantee on subgrantees.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8086, Mar. 11, 1988]

Sec. 18.25 Program income.

- (a) **General.** Grantees are encouraged to earn income to defray program costs. Program income includes income from fees for services performed, from the use or rental of real or personal property acquired with grant funds, from the sale of commodities or items fabricated under a grant agreement, and from payments of principal and interest on loans made with grant funds. Except as otherwise provided in regulations of the Federal agency, program income does not include interest on grant funds, rebates, credits, discounts, refunds, etc. and interest earned on any of them.
- (b) **Definition of program income.** Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period. "During the grant period" is the time between the effective date of the award and the ending date of the award reflected in the final financial report.
- (c) **Cost of generating program income.** If authorized by Federal regulations or the grant agreement, costs incident to the generation of program income may be deducted from gross income to determine program income.
- (d) **Governmental revenues.** Taxes, special assessments, levies, fines, and other such revenues raised by a grantee or subgrantee are not program income unless the revenues are specifically identified in the grant agreement or Federal agency regulations as program income.
- (e) **Royalties.** Income from royalties and license fees for copyrighted material, patents, and inventions developed by a grantee or subgrantee is program income only if the revenues are specifically identified in the grant agreement or Federal agency regulations as program income. (See Sec. 18.34.)
- (f) **Property.** Proceeds from the sale of real property or equipment will be handled in accordance with the requirements of Secs. 18.31 and 18.32.
- (g) **Use of program income.** Program income shall be deducted from outlays which may be both Federal and non-Federal as described below, unless the Federal agency regulations or the grant agreement specify another alternative (or a combination of the alternatives). In specifying alternatives, the Federal agency may distinguish between income earned by the grantee and income earned by subgrantees and between the sources, kinds, or amounts of income. When Federal agencies authorize the alternatives in paragraphs (g) (2) and (3) of this section, program income in excess of any limits stipulated shall also be deducted from outlays.
 - (1) **Deduction.** Ordinarily program income shall be deducted from total allowable costs to determine the net allowable costs. Program income

shall be used for current costs unless the Federal agency authorizes otherwise. Program income which the grantee did not anticipate at the time of the award shall be used to reduce the Federal agency and grantee contributions rather than to increase the funds committed to the project.

- (2) Addition. When authorized, program income may be added to the funds committed to the grant agreement by the Federal agency and the grantee.

The program income shall be used for the purposes and under the conditions of the grant agreement.

- (3) Cost sharing or matching. When authorized, program income may be used to meet the cost sharing or matching requirement of the grant agreement. The amount of the Federal grant award remains the same.
- (4)) Section 3(a)(1)(D) of the UMT Act of 1964, as amended, provides that the Secretary shall establish requirements for the use of income derived from appreciated land values for certain UMTA grants. Specific requirements shall be contained in grant agreements.
- (5) UMTA grantees may retain program income for allowable capital or operating expenses.
- (6) For grants awarded under section 9 of the UMT Act of 1964, as amended, any revenues received from the sale of advertising and concessions in excess of fiscal year 1985 levels shall be excluded from program income.
- (7) 23 U.S.C. 156 requires that States shall charge fair market value for the sale, lease, or use of right-of-way airspace for non-transportation purposes and that such income shall be used for projects eligible under 23 U.S.C.
- (h)) Income after the award period. There are no Federal requirements governing the disposition of program income earned after the end of the award period (i.e., until the ending date of the final financial report, see paragraph (a) of this section), unless the terms of the agreement or the Federal agency regulations provide otherwise.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8087, Mar. 11, 1988]

Sec. 18.26 Non-Federal audits.

- (a) **Basic rule.** Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial audits.
- (b) **Subgrantees.** State or local governments, as those terms are defined for purposes of the Single Audit Act Amendments of 1996, that provide Federal awards to a subgrantee, which expends \$300,000 or more (or other amount as specified by OMB) in Federal awards in a fiscal year, shall:
 - (1) Determine whether State or local subgrantees have met the audit

requirements of the Act and whether subgrantees covered by OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit organizations," have met the audit requirements of the Act. Commercial contractors (private for-profit and private and governmental organizations) providing goods and services to State and local governments are not required to have a single audit performed. State and local governments should use their own procedures to ensure that the contractor has complied with laws and regulations affecting the expenditure of Federal funds;

- (2) Determine whether the subgrantee spent Federal assistance funds provided in accordance with applicable laws and regulations. This may be accomplished by reviewing an audit of the subgrantee made in accordance with the Act, Circular A-110, or through other means (e.g., program reviews) if the subgrantee has not had such an audit;
 - (3) Ensure that appropriate corrective action is taken within six months after receipt of the audit report in instance of noncompliance with Federal laws and regulations;
 - (4) Consider whether subgrantee audits necessitate adjustment of the grantee's own records; and
 - (5) Require each subgrantee to permit independent auditors to have access to the records and financial statements.
- (c) Auditor selection. In arranging for audit services, Sec. 18.36 shall be followed.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 61 FR 21387, May 10, 1996; 62 FR 45939, 45947, Aug. 29, 1997]

Changes, Property, and Sub-awards

Sec. 18.30 Changes.

- (a) **General.** Grantees and subgrantees are permitted to rebudget within the approved direct cost budget to meet unanticipated requirements and may make limited program changes to the approved project. However, unless waived by the awarding agency, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency.
- (b) **Relation to cost principles.** The applicable cost principles (see Sec. 18.22) contain requirements for prior approval of certain types of costs. Except where waived, those requirements apply to all grants and subgrants even if paragraphs (c) through (f) of this section do not.
- (c) **Budget changes.**
 - (1) Nonconstruction projects. Except as stated in other regulations or an award document, grantees or subgrantees shall obtain the prior approval of the awarding agency whenever any of the following changes is anticipated under a nonconstruction award:
 - (i) Any revision which would result in the need for additional funding.
 - (ii) Unless waived by the awarding agency, cumulative transfers among direct cost categories, or, if applicable, among separately budgeted

- programs, projects, functions, or activities which exceed or are expected to exceed ten percent of the current total approved budget, whenever the awarding agency's share exceeds \$100,000.
- (iii) Transfer of funds allotted for training allowances (i.e., from direct payments to trainees to other expense categories).
 - (2) Construction projects. Grantees and subgrantees shall obtain prior written approval for any budget revision which would result in the need for additional funds.
 - (3) Combined construction and non-construction projects. When a grant or subgrant provides funding for both construction and non-construction activities, the grantee or subgrantee must obtain prior written approval from the awarding agency before making any fund or budget transfer from non-construction to construction or vice versa.
- (d) Programmatic changes. Grantees or subgrantees must obtain the prior approval of the awarding agency whenever any of the following actions is anticipated:
- (1) Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).
 - (2) Need to extend the period of availability of funds.
 - (3) Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.
 - (4) Under non-construction projects, contracting out, sub-granting (if authorized by law) or otherwise obtaining the services of a third party to perform activities which are central to the purposes of the award. This approval requirement is in addition to the approval requirements of Sec. 18.36 but does not apply to the procurement of equipment, supplies, and general support services.
- (e) **Additional prior approval requirements.** The awarding agency may not require prior approval for any budget revision which is not described in paragraph (c) of this section.
- (f) **Requesting prior approval.**
- (1) A request for prior approval of any budget revision will be in the same budget format the grantee used in its application and shall be accompanied by a narrative justification for the proposed revision.
 - (2) A request for a prior approval under the applicable Federal cost principles (see Sec. 18.22) may be made by letter.
 - (3) A request by a subgrantee for prior approval will be addressed in writing to the grantee. The grantee will promptly review such request and shall approve or disapprove the request in writing. A grantee will not approve any budget or project revision which is inconsistent with the purpose or terms and conditions of the Federal grant to the grantee. If the revision, requested by the subgrantee would result in a change to the grantee's approved project which requires Federal prior approval, the grantee will obtain the Federal agency's approval before

approving the subgrantee's request.

Sec. 18.31 Real property.

- (a) **Title.** Subject to the obligations and conditions set forth in this section, title to real property acquired under a grant or subgrant will vest upon acquisition in the grantee or subgrantee respectively.
- (b) **Use.** Except as otherwise provided by Federal statutes, real property will be used for the originally authorized purposes as long as needed for that purposes, and the grantee or subgrantee shall not dispose of or encumber its title or other interests.
- (c) **Disposition.** When real property is no longer needed for the originally authorized purpose, the grantee or subgrantee will request disposition instructions from the awarding agency. The instructions will provide for one of the following alternatives:
 - (1) Retention of title. Retain title after compensating the awarding agency. The amount paid to the awarding agency will be computed by applying the awarding agency's percentage of participation in the cost of the original purchase to the fair market value of the property. However, in those situations where a grantee or subgrantee is disposing of real property acquired with grant funds and acquiring replacement real property under the same program, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
 - (2) Sale of property. Sell the property and compensate the awarding agency. The amount due to the awarding agency will be calculated by applying the awarding agency's percentage of participation in the cost of the original purchase to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the grant is still active, the net proceeds from sale may be offset against the original cost of the property. When a grantee or sub-grantee is directed to sell property, sales procedures shall be followed that provide for competition to the extent practicable and result in the highest possible return.
 - (3) Transfer of title. Transfer title to the awarding agency or to a third-party designated/approved by the awarding agency. The grantee or subgrantee shall be paid an amount calculated by applying the grantee or subgrantee's percentage of participation in the purchase of the real property to the current fair market value of the property.
- (d)) If the conditions in 23 U.S.C. 103(e) (5), (6), or (7), as appropriate, are met and approval is given by the Secretary, States shall not be required to repay the Highway Trust Fund for the cost of right-of-way and other items when certain segments of the Interstate System are withdrawn.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8087, Mar. 11, 1988]

Sec. 18.32 Equipment.

- (a) **Title.** Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or subgrant will vest upon acquisition

in the grantee or subgrantee respectively.

(b) **States.** A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other grantees and subgrantees will follow paragraphs (c) through (e) of this section.

(c) **Use.**

- (1)) Equipment shall be used by the grantee or subgrantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.
- (2) The grantee or subgrantee shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.
- (3) Notwithstanding the encouragement in Sec. 18.25(a) to earn program income, the grantee or subgrantee must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute. (4) When acquiring replacement equipment, the grantee or subgrantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.

(d) **Management requirements.** Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.
- (4) Adequate maintenance procedures must be developed to keep the property in good condition.
- (5) If the grantee or subgrantee is authorized or required to sell the

property, proper sales procedures must be established to ensure the highest possible return.

- (e) **Disposition.** When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:
 - (1) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.
 - (2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.
 - (3)) In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition actions.
- (f) **Federal equipment.** In the event a grantee or subgrantee is provided federally-owned equipment:
 - (1) Title will remain vested in the Federal Government.
 - (2) Grantees or subgrantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.
 - (3) When the equipment is no longer needed, the grantee or subgrantee will request disposition instructions from the Federal agency.
- (g) **Right to transfer title.** The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third part named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:
 - (1) The property shall be identified in the grant or otherwise made known to the grantee in writing.
 - (2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow Sec. 18.32(e).
 - (3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

Sec. 18.33 Supplies.

- (a) **Title.** Title to supplies acquired under a grant or subgrant will vest, upon acquisition, in the grantee or subgrantee respectively.
- (b) **Disposition.** If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other federally

sponsored programs or projects, the grantee or subgrantee shall compensate the awarding agency for its share.

Sec. 18.34 Copyrights.

The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes:

- (a) The copyright in any work developed under a grant, subgrant, or contract under a grant or subgrant; and
- (b) Any rights of copyright to which a grantee, subgrantee or a contractor purchases ownership with grant support.

Sec. 18.35 Subawards to debarred and suspended parties.

Grantees and subgrantees must not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."

Sec. 18.36 Procurement.

- (a) **States.** When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds.

The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

- (b) **Procurement standards.**

- (1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.
- (2) Grantees and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
- (3) Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:
 - (i) The employee, officer or agent,
 - (ii) Any member of his immediate family,
 - (iii) His or her partner, or
 - (iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.The grantee's or subgrantee's officers, employees or agents will

neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

- (4) Grantee and subgrantee procedures will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
- (5) To foster greater economy and efficiency, grantees and subgrantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.
- (6) Grantees and subgrantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
- (7) Grantees and subgrantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
- (8) Grantees and subgrantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- (9) Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- (10) Grantees and subgrantees will use time and material type contracts only:
 - (i) After a determination that no other contract is suitable, and
 - (ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.
- (11) Grantees and subgrantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of

procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or subgrantee of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for that of the grantee or subgrantee unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

- (12) Grantees and subgrantees will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the grantee and subgrantee before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency will be limited to:
 - (i) Violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities) and
 - (ii) Violations of the grantee's or subgrantee's protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the grantee or subgrantee.

(c) **Competition.**

- (1) All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of Sec. 18.36. Some of the situations considered to be restrictive of competition include but are not limited to:
 - (i) Placing unreasonable requirements on firms in order for them to qualify to do business,
 - (ii) Requiring unnecessary experience and excessive bonding,
 - (iii) Noncompetitive pricing practices between firms or between affiliated companies,
 - (iv) Noncompetitive awards to consultants that are on retainer contracts,
 - (v) Organizational conflicts of interest,
 - (vi) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement, and
 - (vii) Any arbitrary action in the procurement process.
- (2) Grantees and subgrantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- (3) Grantees will have written selection procedures for procurement

transactions. These procedures will ensure that all solicitations:

- (i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition.

The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

- (ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- (4) Grantees and subgrantees will ensure that all pre-qualified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and subgrantees will not preclude potential bidders from qualifying during the solicitation period.

(d) **Methods of procurement to be followed**

- (1) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at \$100,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.
- (2) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in Sec. 18.36(d)(2)(i) apply.
 - (i) In order for sealed bidding to be feasible, the following conditions should be present:
 - (A) A complete, adequate, and realistic specification or purchase description is available;
 - (B) Two or more responsible bidders are willing and able to compete effectively and for the business; and
 - (C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
 - (ii) If sealed bids are used, the following requirements apply:

- (A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;
 - (B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;
 - (C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;
 - (D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
 - (E) Any or all bids may be rejected if there is a sound documented reason.
- (3) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
- (i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;
 - (ii) Proposals will be solicited from an adequate number of qualified sources;
 - (iii) Grantees and subgrantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;
 - (iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
 - (v) Grantees and subgrantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.
- (4) Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.
- (i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures,

sealed bids or competitive proposals and one of the following circumstances applies:

- (A) The item is available only from a single source;
- (B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- (C) The awarding agency authorizes noncompetitive proposals; or
- (D) After solicitation of a number of sources, competition is determined inadequate.
- (ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.
- (iii) Grantees and subgrantees may be required to submit the proposed procurement to the awarding agency for pre-award review in accordance with paragraph (g) of this section.

(e) **Contracting with small and minority firms, women's business enterprise and labor surplus area firms.**

- (1) The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.
- (2) Affirmative steps shall include:
 - (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
 - (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
 - (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
 - (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
 - (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
 - (vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

(f) **Contract cost and price.**

- (1) Grantees and subgrantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including

contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

- (2) Grantees and subgrantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
- (3) Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see Sec. 18.22). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.
- (4) The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

(g) **Awarding agency review.**

- (1) Grantees and subgrantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or subgrantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.
- (2) Grantees and subgrantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:
 - (i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or
 - (ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or
 - (iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a "brand name" product; or
 - (iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
 - (v) A proposed contract modification changes the scope of a contract or

increases the contract amount by more than the simplified acquisition threshold.

- (3) A grantee or subgrantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.
- (i) A grantee or subgrantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.
- (ii) A grantee or subgrantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self--certification procedure, awarding agencies may wish to rely on written assurances from the grantee or subgrantee that it is complying with these standards. A grantee or subgrantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

(h) **Bonding requirements.** For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or subgrantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

- (1) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
- (2) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(h) **Bonding requirements**

- (3) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.
- (i) Contract provisions. A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the office of Federal Procurement Policy.
- (1) Administrative, contractual, or legal remedies in instances where

contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)

- (2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)
- (3) Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees)
- (4) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)
- (5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of \$2000 awarded by grantees and subgrantees when required by Federal grant program legislation)
- (6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers)
- (7) Notice of awarding agency requirements and regulations pertaining to reporting.
- (8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.
- (9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.
- (10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
- (11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.
- (12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000)

- (13) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).
- (j) 23 U.S.C. 112(a) directs the Secretary to require recipients of highway construction grants to use bidding methods that are “effective in securing competition.”
Detailed construction contracting procedures are contained in 23 CFR part 635, subpart A.
- (k) Section 3(a)(2)(C) of the UMT Act of 1964, as amended, prohibits the use of grant or loan funds to support procurements utilizing exclusionary or discriminatory specifications.
- (l) 46 U.S.C. 1241(b)(1) and 46 CFR part 381 impose cargo preference requirements on the shipment of foreign made goods.
- (m) Section 165 of the Surface Transportation Assistance Act of 1982, 49 U.S.C. 1601, section 337 of the Surface Transportation and Uniform Relocation Assistance Act of 1987, and 49 CFR parts 660 and 661 impose Buy America provisions on the procurement of foreign products and materials.
- (n) Section 105(f) of the Surface Transportation Assistance Act of 1982, section 106(c) of the Surface Transportation and Uniform Relocation Assistance Act of 1987, and 49 CFR part 23 impose requirements for the participation of disadvantaged business enterprises.
- (o) Section 308 of the Surface Transportation Assistance Act of 1982, 49 U.S.C. 1068(b)(2), authorizes the use of competitive negotiation for the purchase of rolling stock as appropriate.
- (p) 23 U.S.C. 112(b) provides for an exemption to competitive bidding requirements for highway construction contracts in emergency situations.
- (q) 23 U.S.C. 112 requires concurrence by the Secretary before highway construction contracts can be awarded, except for projects authorized under the provisions of 23 U.S.C. 171.
- (r) 23 U.S.C. 112(e) requires standardized contract clauses concerning site conditions, suspension or work, and material changes in the scope of the work for highway construction contracts.
- (s) 23 U.S.C. 140(b) authorizes the preferential employment of Indians on Indian Reservation road projects and contracts.
- (t) FHWA, UMTA, and Federal Aviation Administration (FAA) grantees and subgrantees shall extend the use of qualifications-based (e.g., architectural and engineering services) contract selection procedures to certain other related areas and shall award such contracts in the same manner as Federal contracts for architectural and engineering services are negotiated under Title IX of the Federal Property and Administrative Services Act of 1949, or equivalent State (or airport sponsor for FAA) qualifications-based requirements. For FHWA and UMTA programs, this provision applies except to the extent that a State adopts or has adopted by statute a formal procedure for the procurement of such services.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8087, Mar. 11, 1988; 60 FR 19639, 19647, Apr. 19, 1995]

Sec. 18.37 Subgrants.

- (a) **States.** States shall follow state law and procedures when awarding and administering subgrants (whether on a cost reimbursement or fixed amount basis) of financial assistance to local and Indian tribal governments. States shall:
 - (1) Ensure that every subgrant includes any clauses required by Federal statute and executive orders and their implementing regulations;
 - (2) Ensure that subgrantees are aware of requirements imposed upon them by Federal statute and regulation;
 - (3) Ensure that a provision for compliance with Sec. 18.42 is placed in every cost reimbursement subgrant; and
 - (4) Conform any advances of grant funds to subgrantees substantially to the same standards of timing and amount that apply to cash advances by Federal agencies.
- (b) **All other grantees.** All other grantees shall follow the provisions of this part which are applicable to awarding agencies when awarding and administering subgrants (whether on a cost reimbursement or fixed amount basis) of financial assistance to local and Indian tribal governments. Grantees shall:
 - (1) Ensure that every subgrant includes a provision for compliance with this part;
 - (2) Ensure that every subgrant includes any clauses required by Federal statute and executive orders and their implementing regulations; and
 - (3) Ensure that subgrantees are aware of requirements imposed upon them by Federal statutes and regulations.
- (c) **Exceptions.** By their own terms, certain provisions of this part do not apply to the award and administration of subgrants:
 - (1) Section 18.10;
 - (2) Section 18.11;
 - (3) The letter-of-credit procedures specified in Treasury Regulations at 31 CFR part 205, cited in Sec. 18.21; and
 - (4) Section 18.50.

Reports, Records, Retention, and Enforcement

Sec. 18.40 Monitoring and reporting program performance.

- (a) **Monitoring by grantees.** Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.
- (b) **Nonconstruction performance reports.** The Federal agency may, if it decides that performance information available from subsequent applications contains sufficient information to meet its programmatic needs, require the grantee to submit a performance report only upon expiration or termination of grant support. Unless waived by the Federal agency this

report will be due on the same date as the final Financial Status Report.

- (1) Grantees shall submit annual performance reports unless the awarding agency requires quarterly or semi-annual reports. However, performance reports will not be required more frequently than quarterly. Annual reports shall be due 90 days after the grant year, quarterly or semi-annual reports shall be due 30 days after the reporting period. The final performance report will be due 90 days after the expiration or termination of grant support. If a justified request is submitted by a grantee, the Federal agency may extend the due date for any performance report. Additionally, requirements for unnecessary performance reports may be waived by the Federal agency.
 - (2) Performance reports will contain, for each grant, brief information on the following:
 - (i) A comparison of actual accomplishments to the objectives established for the period. Where the output of the project can be quantified, a computation of the cost per unit of output may be required if that information will be useful.
 - (ii) The reasons for slippage if established objectives were not met.
 - (iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.
 - (3) Grantees will not be required to submit more than the original and two copies of performance reports.
 - (4) Grantees will adhere to the standards in this section in prescribing performance reporting requirements for subgrantees.
- (c) **Construction performance reports.** For the most part, on-site technical inspections and certified percentage-of-completion data are relied on heavily by Federal agencies to monitor progress under construction grants and subgrants. The Federal agency will require additional formal performance reports only when considered necessary, and never more frequently than quarterly.
- (1) Section 12(h) of the UMT Act of 1964, as amended, requires pre-award testing of new buses models.
 - (2) [Reserved]
- (d) **Significant developments.** Events may occur between the scheduled performance reporting dates which have significant impact upon the grant or subgrant supported activity. In such cases, the grantee must inform the Federal agency as soon as the following types of conditions become known:
- (1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
 - (2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.
- (e) **Federal agencies may make site visits as warranted by program needs.**

(f) **Waivers, extensions.**

- (1) Federal agencies may waive any performance report required by this part if not needed.
- (2) The grantee may waive any performance report from a subgrantee when not needed. The grantee may extend the due date for any performance report from a subgrantee if the grantee will still be able to meet its performance reporting obligations to the Federal agency.

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8087, Mar. 11, 1988]

Sec. 18.41 Financial Reporting.

(a) **General.**

- (1) Except as provided in paragraphs (a) (2) and (5) of this section, grantees will use only the forms specified in paragraphs (a) through (e) of this section, and such supplementary or other forms as may from time to time be authorized by OMB, for:
 - (i) Submitting financial reports to Federal agencies, or
 - (ii) Requesting advances or reimbursements when letters of credit are not used.
- (2) Grantees need not apply the forms prescribed in this section in dealing with their subgrantees. However, grantees shall not impose more burdensome requirements on subgrantees.
- (3) Grantees shall follow all applicable standard and supplemental Federal agency instructions approved by OMB to the extent required under the Paperwork Reduction Act of 1980 for use in connection with forms specified in paragraphs (b) through (e) of this section. Federal agencies may issue substantive supplementary instructions only with the approval of OMB. Federal agencies may shade out or instruct the grantee to disregard any line item that the Federal agency finds unnecessary for its decision making purposes.
- (4) Grantees will not be required to submit more than the original and two copies of forms required under this part.
- (5) Federal agencies may provide computer outputs to grantees to expedite or contribute to the accuracy of reporting. Federal agencies may accept the required information from grantees in machine usable format or computer printouts instead of prescribed forms.
- (6) Federal agencies may waive any report required by this section if not needed.
- (7)) Federal agencies may extend the due date of any financial report upon receiving a justified request from a grantee.

(b) **Financial Status Report.**

- (1) Form. Grantees will use Standard Form 269 or 269A, Financial Status Report, to report the status of funds for all non-construction grants and for construction grants when required in accordance with Sec. 18.41(e)(2)(iii).
- (2) Accounting basis. Each grantee will report program outlays and program income on a cash or accrual basis as prescribed by the awarding agency. If the Federal agency requires accrual information

and the grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system but shall develop such accrual information through and analysis of the documentation on hand.

- (3) Frequency. The Federal agency may prescribe the frequency of the report for each project or program. However, the report will not be required more frequently than quarterly. If the Federal agency does not specify the frequency of the report, it will be submitted annually. A final report will be required upon expiration or termination of grant support.
- (4) Due date. When reports are required on a quarterly or semiannual basis, they will be due 30 days after the reporting period. When required on an annual basis, they will be due 90 days after the grant year. Final reports will be due 90 days after the expiration or termination of grant support.

(c) **Federal Cash Transactions Report**

- (1) Form.
 - (i) For grants paid by letter of credit, Treasury check advances or electronic transfer of funds, the grantee will submit the Standard Form 272, Federal Cash Transactions Report, and when necessary, its continuation sheet, Standard Form 272a, unless the terms of the award exempt the grantee from this requirement.
 - (ii) These reports will be used by the Federal agency to monitor cash advanced to grantees and to obtain disbursement or outlay information for each grant from grantees. The format of the report may be adapted as appropriate when reporting is to be accomplished with the assistance of automatic data processing equipment provided that the information to be submitted is not changed in substance.
- (2) Forecasts of Federal cash requirements. Forecasts of Federal cash requirements may be required in the "Remarks" section of the report.
- (3) Cash in hands of subgrantees. When considered necessary and feasible by the Federal agency, grantees may be required to report the amount of cash advances in excess of three days needs in the hands of their subgrantees or contractors and to provide short narrative explanations of actions taken by the grantee to reduce the excess balances.
- (4) Frequency and due date. Grantees must submit the report no later than 15 working days following the end of each quarter. However, where an advance either by letter of credit or electronic transfer of funds is authorized at an annualized rate of one million dollars or more, the Federal agency may require the report to be submitted within 15 working days following the end of each month.

(d) **Request for advance or reimbursement.**

- (1) Advance payments. Requests for Treasury check advance payments will be submitted on Standard Form 270, Request for Advance or Reimbursement. (This form will not be used for drawdowns under a letter of credit, electronic funds transfer or when Treasury check advance payments are made to the grantee automatically on a

predetermined basis.)

- (2) Reimbursements. Requests for reimbursement under non-construction grants will also be submitted on Standard Form 270. (For reimbursement requests under construction grants, see paragraph (e)(1) of this section.)
- (3) The frequency for submitting payment requests is treated in Sec.18.41 (b)(3).

(e) **Outlay report and request for reimbursement for construction programs.**

- (1) Grants that support construction activities paid by reimbursement method.
- (i) Requests for reimbursement under construction grants will. be submitted on Standard Form 271, Outlay Report and Request for Reimbursement for Construction Programs. Federal agencies may, however, prescribe the Request for Advance or Reimbursement form, specified in Sec. 18.41(d), instead of this form.
- (ii) The frequency for submitting reimbursement requests is treated in Sec. 18.41(b)(3).

(e) **Outlay report and request for reimbursement for construction programs.**

- (2) Grants that support construction activities paid by letter of credit, electronic funds transfer or Treasury check advance.
- (i) When a construction grant is paid by letter of credit, electronic funds transfer or Treasury check advances, the grantee will report its outlays to the Federal agency using Standard Form 271, Outlay Report and Request for Reimbursement for Construction Programs. The Federal agency will provide any necessary special instruction. However, frequency and due date shall be governed by Sec. 18.41(b) (3) and (4).
- (ii) When a construction grant is paid by Treasury check advances based on periodic requests from the grantee, the advances will be requested on the form specified in Sec. 18.41(d).
- (iii) The Federal agency may substitute the Financial Status Report specified in Sec. 18.41(b) for the Outlay Report and Request for Reimbursement for Construction Programs.
- (3) Accounting basis. The accounting basis for the Outlay Report and Request for Reimbursement for Construction Programs shall be governed by Sec. 18.41(b)(2).

(f) **Notwithstanding the provisions of paragraphs (a)(1) of this section, recipients of FHWA and National Highway Traffic Safety Administration (NHTSA) grants shall use FHWA, NHTSA or State financial reports.**

[53 FR 8086 and 8087, Mar. 11, 1988, as amended at 53 FR 8087, Mar. 11, 1988]

Sec. 18.42 Retention and access requirements for records.

(a) **Applicability.**

- (1) This section applies to all financial and programmatic records, supporting documents, statistical records, and other records of

grantees or subgrantees which are:

- (i) Required to be maintained by the terms of this part, program regulations or the grant agreement, or
 - (ii) Otherwise reasonably considered as pertinent to program regulations or the grant agreement.
- (2) This section does not apply to records maintained by contractors or subcontractors. For a requirement to place a provision concerning records in certain kinds of contracts, see Sec. 18.36(i)(10).

(b) **Length of retention period.**

- (1) Except as otherwise provided, records must be retained for three years from the starting date specified in paragraph (c) of this section.
- (2) If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the 3-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular 3-year period, whichever is later.
- (3) To avoid duplicate recordkeeping, awarding agencies may make special arrangements with grantees and subgrantees to retain any records which are continuously needed for joint use. The awarding agency will request transfer of records to its custody when it determines that the records possess long-term retention value. When the records are transferred to or maintained by the Federal agency, the 3-year retention requirement is not applicable to the grantee or subgrantee

(c) **Starting date of retention period-**

- (1) General. When grant support is continued or renewed at annual or other intervals, the retention period for the records of each funding period starts on the day the grantee or subgrantee submits to the awarding agency its single or last expenditure report for that period. However, if grant support is continued or renewed quarterly, the retention period for each year's records starts on the day the grantee submits its expenditure report for the last quarter of the Federal fiscal year.

In all other cases, the retention period starts on the day the grantee submits its final expenditure report. If an expenditure report has been waived, the retention period starts on the day the report would have been due.

- (2) Real property and equipment records. The retention period for real property and equipment records starts from the date of the disposition or replacement or transfer at the direction of the awarding agency.
- (3) Records for income transactions after grant or subgrant support. In some cases grantees must report income after the period of grant support. Where there is such a requirement, the retention period for the records pertaining to the earning of the income starts from the end of the grantee's fiscal year in which the income is earned.
- (4) Indirect cost rate proposals, cost allocations plans, etc. This paragraph applies to the following types of documents, and their supporting

records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).

- (i) If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the grantee) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
 - (ii) If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the grantee) for negotiation purposes, then the 3-year retention period for the proposal plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.
- (d) **Substitution of microfilm.** Copies made by microfilming, photocopying, or similar methods may be substituted for original the records.
- (e) **Access to records**
 - (1) Records of grantees and subgrantees. The awarding agency and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access to any pertinent books, documents, papers, or other records of grantees and subgrantees which are pertinent to the grant, in order to make audits, examinations, excerpts, and transcripts.
 - (2) Expiration of right of access. The right of access in this section must not be limited to the required retention period but shall last as long as the records are retained.
- (f) **Restrictions on public access.** The Federal Freedom of Information Act (5 U.S.C. 552) does not apply to records unless required by Federal, State, or local law, grantees and subgrantees are not required to permit public access to their records.

Sec. 18.43 Enforcement

- (a) **Remedies for noncompliance.** If a grantee or subgrantee materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, the awarding agency may take one or more of the following actions, as appropriate in the circumstances:
 - (1) Temporarily withhold cash payments pending correction of the deficiency by the grantee or subgrantee or more severe enforcement action by the awarding agency,
 - (2) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,
 - (3) Wholly or partly suspend or terminate the current award for the grantee's or subgrantee's program,
 - (4) Withhold further awards for the program, or
 - (5) Take other remedies that may be legally available.

- (b) **Hearings, appeals.** In taking an enforcement action, the awarding agency will provide the grantee or subgrantee an opportunity for such hearing, appeal, or other administrative proceeding to which the grantee or subgrantee is entitled under any statute or regulation applicable to the action involved.
- (c) **Effects of suspension and termination.** Costs of grantee or subgrantee resulting from obligations incurred by the grantee or subgrantee during a suspension or after termination of an award are not allowable unless the awarding agency expressly authorizes them in the notice of suspension or termination or subsequently. Other grantee or subgrantee costs during suspension or after termination which are necessary and not reasonably avoidable are allowable if:
 - (1) The costs result from obligations which were properly incurred by the grantee or subgrantee before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are non-cancellable, and,
 - (2) The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.
- (d) **Relationship to debarment and suspension.** The enforcement remedies identified in this section, including suspension and termination, do not preclude grantee or subgrantee from being subject to "Debarment and Suspension" under E.O. 12549 (see Sec. 18.35).

Sec. 18.44 Termination for convenience.

Except as provided in Sec. 18.43 awards may be terminated in whole or in part only as follows:

- (a) **General.** The Federal agency will close out the award when it determines that all applicable administrative actions and all required work of the grant has been completed.
- (b) **Reports.** Within 90 days after the expiration or termination of the grant, the grantee must submit all financial, performance, and other reports required as a condition of the grant. Upon request by the grantee, Federal agencies may extend this timeframe. These may include but are not limited to:
 - (1) Final performance or progress report.
 - (2) Financial Status Report (SF 269) or Outlay Report and Request for Reimbursement for Construction Programs (SF-271) (as applicable).
 - (3) Final request for payment (SF-270) (if applicable).
 - (4) Invention disclosure (if applicable).
 - (5) Federally-owned property report: In accordance with Sec. 18.32(f), a grantee must submit an inventory of all federally owned property (as distinct from property acquired with grant funds) for which it is accountable and request disposition instructions from the Federal agency of property no longer needed.
- (c) **Cost adjustment.** The Federal agency will, within 90 days after receipt of

reports in paragraph (b) of this section, make upward or downward adjustments to the allowable costs.

(d) **Cash adjustments.**

- (1) The Federal agency will make prompt payment to the grantee for allowable reimbursable costs.
- (2) The grantee must immediately refund to the Federal agency any balance of unobligated (unencumbered) cash advanced that is not authorized to be retained for use on other grants.

Subpart D--After-the-Grant Requirements

Sec. 18.51 Later disallowances and adjustments.

The closeout of a grant does not affect:

- (a) The Federal agency's right to disallow costs and recover funds on the basis of a later audit or other review;
- (b) The grantee's obligation to return any funds due as a result of later refunds, corrections, or other transactions;
- (c) Records retention as required in Sec. 18.42;
- (d) Property management requirements in Secs. 18.31 and 18.32; and Audit requirements in Sec. 18.26.

Sec. 18.52 Collection of amounts due.

- (a) Any funds paid to a grantee in excess of the amount to which the grantee is finally determined to be entitled under the terms of the award constitute a debt to the Federal Government. If not paid within a reasonable period after demand, the Federal agency may reduce the debt by:
 - (1) Making an administrative offset against other requests for reimbursements,
 - (2) Withholding advance payments otherwise due to the grantee, or
 - (3) Other action permitted by law.
- (b) Except where otherwise provided by statutes or regulations, the Federal agency will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (4 CFR Ch. II). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.

Subpart E—Entitlements [Reserved]

EXHIBIT D

IN THE EVENT THAT THESE REGULATIONS ARE IN CONFLICT WITH 2 CRF 200, 2 CFR 200 WILL SUPERSEDE.

Appendix A to Part 96—Office of Management and Budget

Circular No. A-128—Uniform Audit Requirements for State and Local Governments

EXECUTIVE OFFICE OF THE PRESIDENT, Office of Management and Budget

CIRCULAR NO. A-128, April 12, 1985

To the Heads of Executive Departments and Establishments.

Subject: Audits of State and Local Governments.

1. Purpose.

This Circular is issued pursuant to the Single Audit Act of 1984, Pub. L. 98-502. It establishes audit requirements for State and local governments that receive Federal aid, and defines Federal responsibilities for implementing and monitoring those requirements.

2. Super-session.

The Circular supersedes Attachment P, "Audit Requirements," of Circular A-102, "Uniform requirements for grants to State and local governments."

3. Background.

The Single Audit Act builds upon earlier efforts to improve audits of Federal aid programs. The Act requires State or local governments that receive \$100,000 or more a year in Federal funds to have an audit made for that year. Section 7505 of the Act requires the Director of the Office of Management and Budget to prescribe policies, procedures and guidelines to implement the Act. It specifies that the Director shall designate "cognizant" Federal agencies, determine criteria for making appropriate charges to Federal programs for the cost of audits, and provide procedures to assure that small firms or firms owned and controlled by disadvantaged individuals have the opportunity to participate in contracts for single audits.

4. Policy. The Single Audit Act requires the following:

4. Policy.

The Single Audit Act requires the following:

- a. State or local governments that receive \$100,000 or more a year in Federal financial assistance shall have an audit made in accordance with this Circular.
- b. State or local governments that receive between \$25,000 and \$100,000 a year shall have an audit made in accordance with this Circular, or in accordance with Federal laws and regulations governing the programs they participate in.
- c. State or local governments that receive less than \$25,000 a year shall be exempt from compliance with the Act and other Federal audit requirements. These State and local governments shall be governed by audit requirements prescribed by State or local law or regulation.
- d. Nothing in this paragraph exempts State or local governments from maintaining records of Federal financial assistance or from providing access to such records to Federal agencies, as provided for in Federal law or in Circular A-102, "Uniform requirements for grants to State or local governments."

5. Definitions.

For the purposes of this Circular the following definitions from the Single Audit Act apply:

- a. Cognizant agency means the Federal agency assigned by the Office of Management and Budget to carry out the responsibilities described in paragraph 11 of this Circular.
- b. Federal financial assistance means assistance provided by a Federal agency in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, or direct appropriations, but does not include direct Federal cash assistance to individuals.

It includes awards received directly from Federal agencies, or indirectly through other units of State and local governments.
- c. Federal agency has the same meaning as the term agency in section 551(1) of title 5, U.S.C.
- d. Generally accepted accounting principles has the meaning specified in the generally accepted government auditing standards.
- e. Generally accepted government auditing standards means the Standards For Audit of Government Organizations, Programs, Activities, and Functions, developed by the Controller General, dated February 27, 1981.
- f. Independent auditor means:
 - (1) A State or local government auditor who meets the independence standards specified in generally accepted government auditing standards; or
 - (2) A public accountant who meets such independence standards.
- g. Internal controls means the plan of organization and methods and procedures adopted by management to ensure that:
 - (1) Resource use is consistent with laws, regulations, and policies;
 - (2) Resources are safeguarded against waste, loss, and misuse; and
 - (3) Reliable data is obtained, maintained, and fairly disclosed in reports.
- h. Indian tribe means any Indian tribe, band, nations, or other organized group or community, including any Alaskan Native village or regional or village corporations (as defined in, or established under, the Alaskan Native Claims Settlement Act) that is recognized by the United States as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.
- i. Local government means any unit of local government within a State, including a county, a borough, municipality, city, town, township, parish, local public authority, special district, school district, intrastate district, council of governments, and any other instrumentality of local government.
- j. Major Federal Assistance Program, as defined by Pub. L. 98-502, is described in the Attachment to this Circular.
- k. Public accountants means those individuals who meet the qualification standards included in generally accepted government auditing standards for personnel performing government audits.
- l. State means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, any instrumentality thereof, and any multi-State, regional, or interstate entity that has governmental functions and any Indian tribe.
- m. Sub-recipient means any person or government department, agency, or establishment that receives Federal financial assistance to carry out a program through a State or local government, but does not include an individual that is a beneficiary of such a

program. A sub-recipient may also be a direct recipient of Federal financial assistance.

6. Scope of Audit.

The Single Audit Act provides that:

- a. The audit shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial and compliance audits.
- b. The audit shall cover the entire operations of a State or local government or, at the option of that government, it may cover departments, agencies or establishments that received, expended, or otherwise administered Federal financial assistance during the year. However, if a State or local government receives \$25,000 or more in General Revenue Sharing Funds in a fiscal year, it shall have an audit of its entire operations. A series of audits of individual departments, agencies, and establishments for the same fiscal year may be considered a single audit.

- c. Public hospitals and public colleges and universities may be excluded from State and local audits and the requirements of this Circular.

However, if such entities are excluded, audits of these entities shall be made in accordance with statutory requirements and the provisions of Circular A-110, "Uniform requirements for grants to universities, hospitals, and other nonprofit organizations."

- d. The auditor shall determine whether:
 - (1) The financial statements of the government, department, agency or establishment present fairly its financial position and the results of its financial operations in accordance with generally accepted accounting principles;
 - (2) The organization has internal accounting and other control systems to provide reasonable assurance that it is managing Federal financial assistance programs in compliance with applicable laws and regulations; and
 - (3) The organization has complied with laws and regulations that may have material effect on its financial statements and on each major Federal assistance program.

7. Frequency of Audit.

Audits shall be made annually unless the State or local government has, by January 1, 1987, a constitutional or statutory requirement for less frequent audits. For those governments, the cognizant agency shall permit biennial audits, covering both years, if the government so requests. It shall also honor requests for biennial audits by governments that have an administrative policy calling for audits less frequent than annual, but only for fiscal years beginning before January 1, 1987.

8. Internal Control and Compliance Reviews.

The Single Audit Act requires that the independent auditor determine and report on whether the organization has internal control systems to provide reasonable assurance that it is managing Federal assistance programs in compliance with applicable laws and regulations.

- a. Internal control review. In order to provide this assurance the auditor must make a study and evaluation of internal control systems used in administering Federal assistance programs. The study and evaluation must be made whether or not the auditor intends to place reliance on such systems. As part of this review, the auditor shall:

- (1) Test whether these internal control systems are functioning in accordance with prescribed procedures.
 - (2) Examine the recipient's system for monitoring sub-recipients and obtaining and acting on sub-recipient audit reports.
- b. Compliance review. The law also requires the auditor to determine whether the organization has complied with laws and regulations that may have a material effect on each major Federal assistance program.
 - (1) In order to determine which major programs are to be tested for compliance, State and local governments shall identify in their accounts all Federal funds received and expended and the programs under which they were received. This shall include funds received directly from Federal agencies and through other State and local governments.
 - (2) The review must include the selection and testing of a representative number of charges from each major Federal assistance program. The selection and testing of transactions shall be based on the auditor's professional judgment considering such factors as the amount of expenditures for the program and the individual awards; the newness of the program or changes in its conditions; prior experience with the program, particularly as revealed in audits and other evaluations (e.g., inspections, program reviews); the extent to which the program is carried out through sub-recipients; the extent to which the program contracts for goods or services; the level to which the program is already subject to program reviews or other forms of independent oversight; the adequacy of the controls for ensuring compliance; the expectation of adherence or lack of adherence to the applicable laws and regulations; and the potential impact of adverse findings.
 - (a) In making the test of transactions, the auditor shall determine whether:
 - The amounts reported as expenditures were for allowable services, and
 - The records show that those who received services or benefits were eligible to receive them.
 - (b) In addition to transaction testing, the auditor shall determine whether:
 - Matching requirements, levels of effort and earmarking limitations were met,
 - Federal financial reports and claims for advances and reimbursements contain information that is supported by the books and records from which the basic financial statements have been prepared, and
 - Amounts claimed or used for matching were determined in accordance with OMB Circular A-87, "Cost principles for State and local governments, "and Attachment F of Circular A-102, "Uniform requirements for grants to State and local governments."
 - (c) The principal compliance requirements of the largest Federal aid programs may be ascertained by referring to the Compliance Supplement for Single Audits of State and Local Governments, issued by OMB and available from the Government Printing Office. For those programs not covered in the Compliance Supplement, the auditor may ascertain compliance requirements by researching the statutes, regulations, and agreements

governing individual programs.

- (2) Transactions related to other Federal assistance programs that are selected in connection with examinations of financial statements and evaluations of internal controls shall be tested for compliance with Federal laws and regulations that apply to such transactions.

9. Sub-recipients.

State or local governments that receive Federal financial assistance and provide \$25,000 or more of it in a fiscal year to a sub-recipient shall:

- a. Determine whether State or local sub-recipients have met the audit requirements of this Circular and whether sub-recipients covered by Circular A-110, "Uniform requirements for grants to universities, hospitals, and other nonprofit organizations," have met that requirement;
- b. Determine whether the sub-recipient spent Federal assistance funds provided in accordance with applicable laws and regulations. This may be accomplished by reviewing an audit of the sub-recipient made in accordance with this Circular, Circular A-110, or through other means (e.g., program reviews) if the sub-recipient has not yet had such an audit;
- c. Ensure that appropriate corrective action is taken within six months after receipt of the audit report in instances of noncompliance with Federal laws and regulations;
- d. Consider whether sub-recipient audits necessitate adjustment of the recipient's own records; and
- e. Require each sub-recipient to permit independent auditors to have access to the records and financial statements as necessary to comply with this Circular.

10. Relation to Other Audit Requirements.

The Single Audit Act provides that an audit made in accordance with this Circular shall be in lieu of any financial or financial compliance audit required under individual Federal assistance programs. To the extent that a single audit provides Federal agencies with information and assurances they need to carry out their overall responsibilities, they shall rely upon and use such information. However, a Federal agency shall make any additional audits which are necessary to carry out its responsibilities under Federal law and regulation. Any additional Federal audit effort shall be planned and carried out in such a way as to avoid duplication.

- a. The provisions of this Circular do not limit the authority of Federal agencies to make, or contract for audits and evaluations of Federal financial assistance programs, nor do they limit the authority of any Federal agency Inspector General or other Federal audit official.
- b. The provisions of this Circular do not authorize any State or local government or sub-recipient thereof to constrain Federal agencies, in any manner, from carrying out additional audits.
- c. A Federal agency that makes or contracts for audits in addition to the audits made by recipients pursuant to this Circular shall, consistent with other applicable laws and regulations, arrange for funding the cost of such additional audits. Such additional audits include economy and efficiency audits, program results audits, and program evaluations.

11. Cognizant Agency Responsibilities.

The Single Audit Act provides for cognizant Federal agencies to oversee the implementation of this Circular.

- a. The Office of Management and Budget will assign cognizant agencies for States and their subdivisions and larger local governments and their subdivisions. Other Federal agencies may participate with an assigned cognizant agency, in order to fulfill the cognizance responsibilities. Smaller governments not assigned a cognizant agency will be under the general oversight of the Federal agency that provides them the most funds whether directly or indirectly.
- b. A cognizant agency shall have the following responsibilities:
 - (1) Ensure that audits are made and reports are received in a timely manner and in accordance with the requirements of this Circular.
 - (2) Provide technical advice and liaison to State and local governments and independent auditors.
 - (3) Obtain or make quality control reviews of selected audits made by non-Federal audit organizations, and provide the results, when appropriate, to other interested organizations.
 - (4) Promptly inform other affected Federal agencies and appropriate Federal law enforcement officials of any reported illegal acts or irregularities. They should also inform State or local law enforcement and prosecuting authorities, if not advised by the recipient, of any violation of law within their jurisdiction.
 - (5) Advise the recipient of audits that have been found not to have met the requirements set forth in this Circular. In such instances, the recipient will be expected to work with the auditor to take corrective action. If corrective action is not taken, the cognizant agency shall notify the recipient and Federal awarding agencies of the facts and make recommendations for follow-up action. Major inadequacies or repetitive substandard performance of independent auditors shall be referred to appropriate professional bodies for disciplinary action.
 - (6) Coordinate, to the extent practicable, audits made by or for Federal agencies that are in addition to the audits made pursuant to this Circular; so that the additional audits upon such audits.
 - (7) Oversee the resolution of audit findings that affect the programs of more than one agency.

12. Illegal Acts or Irregularities.

If the auditor becomes aware of illegal acts or other irregularities, prompt notice shall be given to recipient management officials above the level of involvement. (See also paragraph 13(a)(3) below for the auditor's reporting responsibilities.) The recipient, in turn, shall promptly notify the cognizant agency of the illegal acts or irregularities and of proposed and actual actions, if any. Illegal acts and irregularities include such matters as conflicts of interest, falsification of records or reports, and misappropriations of funds or other assets.

13. Audit Reports.

Audit reports must be prepared at the completion of the audit. Reports serve many needs of State and local governments as well as meeting the requirements of the Single Audit Act.

- a. The audit report shall state that the audit was made in accordance with the provisions of this Circular. The report shall be made up of at least:
 - (1) The auditor's report on financial statements and on a schedule of Federal

assistance; the financial statements; and a schedule of Federal assistance, showing the total expenditures for each Federal assistance program as identified in the Catalog of Federal Domestic Assistance. Federal programs or grants that have not been assigned a catalog number shall be identified under the caption "other Federal assistance."

(2) The auditor's report on the study and evaluation of internal control systems must identify the organization's significant internal accounting controls, and those controls designed to provide reasonable assurance that Federal programs are being managed in compliance with laws and regulations. It must also identify the controls that were evaluated, the controls that were not evaluated, and the material weaknesses identified as a result of the evaluation.

(3) The auditor's report on compliance containing:

- A statement of positive assurance with respect to those items tested for compliance, including compliance with law and regulations pertaining to financial reports and claims for advances and reimbursements;
- Negative assurance on those items not tested;
- A summary of all instances of noncompliance; and
- An identification of total amounts questioned, if any, for each Federal assistance award, as a result of noncompliance.

- b. The three parts of the audit report may be bound into a single report, or presented at the same time as separate documents.
- c. All fraud abuse, or illegal acts or indications of such acts, including all questioned costs found as the result of these acts that auditors become aware of, should normally be covered in a separate written report submitted in accordance with paragraph 13f.
- d. In addition to the audit report, the recipient shall provide including a plan for corrective action taken or planned and comments on the status of corrective action taken. IF prior corrective action is not necessary, a statement describing the reason it is not should accompany the audit report.
- e. The reports shall be made available by the State or local government for public inspection within 30 days after the completion of the audit.
- f. In accordance with generally accepted government audit standards, reports shall be submitted by the auditor to the organization audited and to those requiring or arranging for the audit. In addition, the recipient shall submit copies of the reports to each Federal department or agency that provided Federal assistance funds to the recipient. Sub-recipients shall submit copies to recipients that provided them Federal assistance funds. The reports shall be sent within 30 days after the completion of the audit, but no later than one year after the end of the audit period unless a longer period is agreed to with the cognizant agency.
- g. Recipients of more than \$100,000 in Federal funds shall submit one copy of the audit report within 30 days after issuance to a central clearinghouse to be designated by the Office of Management and Budget. The clearinghouse will keep completed audits on file and follow up with State and local governments that have not submitted required audit reports.
- h. Recipients shall keep audit reports on file for three years from their issuance.

14. Audit Resolution.

As provided in paragraph 11, the cognizant agency shall be responsible for monitoring the

resolution of audit findings that affect the programs of more than one Federal agency.

Resolution of findings that relate to the programs of a single Federal agency will be the responsibility of the recipient and that agency. Alternate arrangements may be made on a case-by-case basis by agreement among the agencies concerned.

Resolution shall be made within six months after receipt of the report by the Federal departments and agencies. Corrective action should proceed as rapidly as possible.

15. Audit work papers and Reports.

Work papers and reports shall be retained for a -minimum of three years from the date of the audit report, unless the auditor is notified in writing by the cognizant agency to extend the retention period. Audit work papers shall be made available upon request to the cognizant agency or its designee or the General Accounting Office, at the completion of the audit.

16. Audit Costs.

The cost of audits made in accordance with the provisions of this Circular are allowable charges to Federal assistance programs.

- a. The charges may be considered a direct cost or an allocated indirect cost, determined in accordance with the provision of Circular A-87, "Cost principles for State and local governments."
- b. Generally, the percentage of costs charged to Federal assistance programs for a single audit shall not exceed the percentage that Federal funds expended represent of total funds expended by the recipient during the fiscal year. The percentage may be exceeded, however, if appropriate documentation demonstrates higher actual cost:

17. Sanctions.

The Single Audit Act provides that no cost may be charged to Federal assistance programs for audits required by the Act that are not made in accordance with this Circular. In cases of continued inability or unwillingness to have a proper audit, Federal agencies must consider other appropriate sanctions including:

- Withholding a percentage of assistance payments until the audit is completed satisfactorily,
- Withholding or disallowing overhead costs, and
- Suspending the Federal assistance agreement until the audit is made.

18. Auditor Selection.

In arranging for audit services State and local governments shall follow the procurement standards prescribed by Attachment 0 of Circular A-102, "Uniform requirements for grants to State and local governments." The standards provide that while recipients are encouraged to enter into intergovernmental agreements for audit and other services, analysis should be made to determine whether it would be more economical to purchase the services from private firms. In instances where use of such intergovernmental agreements are required by State statutes (e.g., audit services) these statutes will take precedence.

19. Small and Minority Audit Firms.

Small audit firms and audit firms owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in contracts awarded to fulfill the requirements of this Circular. Recipients of Federal assistance shall take the following steps to further this goal:

- a. Assure that small audit firms and audit firms owned and controlled by socially and economically disadvantaged individuals are used to the fullest extent practicable.
- b. Make information on forthcoming opportunities available and arrange time frames for

the audit so as to encourage and facilitate participation by small audit firms and audit firms owned and controlled by socially and economically disadvantaged individuals.

- c. Consider in the contract process whether firms competing for larger audits intend to subcontract with small audit firms and audit firms owned and controlled by socially and economically disadvantaged individuals.
- d. Encourage contracting with small audit firms or audit firms owned and controlled by socially and economically disadvantaged individuals which have traditionally audited government programs and, in such cases where this is not possible, assure that these firms are given consideration for audit subcontracting opportunities.
- e. Encourage contracting with consortiums of small audit firms as described in paragraph (a) above when a contract is too large for an individual small audit firm or audit firm owned and controlled by socially and economically disadvantaged individuals.
- f. Use the services and assistance, as appropriate, of such organizations as the Small Business Administration in the solicitation and utilization of small audit firms or audit firms owned and controlled by socially and economically disadvantaged individuals.

20. Reporting.

Each Federal agency will report to the Director of OMB on or before March 1, 1987, and annually thereafter on the effectiveness of State and local governments in carrying out the provisions of this Circular. The report must identify each State or local government or Indian tribe that, in the opinion of the agency, is failing to comply with the Circular.

21. Regulations.

Each Federal agency shall include the provisions of this Circular in its regulations implementing the Single Audit Act.

22. Effective Date.

This Circular is effective upon publication and shall apply to fiscal years of State and local governments that begin after December 31, 1984. Earlier implementation is encouraged. However, until it is implemented, the audit provisions of Attachment P to Circular A-102 shall continue to be observed.

23. Inquiries.

Attachment P to Circular A-102 shall continue to be observed.

23. inquiries. All questions or inquiries should be addressed to Financial Management Division, Office of Management and Budget, telephone number 202/395-3993.

24. Sunset Review Date.

This Circular shall have an independent policy review to ascertain its effectiveness three years from the date of issuance.

David A. Stockman, Director.

Attachment - Circular A-128

Definition of Major Program as Provided in Pub. L. 98-502

Major Federal Assistance Program, for State and local governments having Federal assistance expenditures between \$100,000 and \$100,000,000, means any program for which Federal expenditures during the applicable year exceed the larger of \$300,000, or 3 percent of such total expenditures. Where total expenditures of Federal assistance exceed \$100,000,000, the following criteria apply:

EXHIBIT E

SUGGESTED LANGUAGE FOR RECYCLING CERTIFICATION

State law requires that state contracts shall have Recycling Certification in writing under penalty of perjury, the minimum, if not exact, percentage of recycled content, both post consumer waste and secondary waste as defined in the Public Contract Code, Sections 12161 and 12200, in materials, goods, or supplies offered or products used in the performance of this Agreement, regardless of whether the product meets the required recycled product percentage as defined in the Public Contract Code, Sections 12161 and 12200. Contractor may certify that the product contains zero recycled content. (PCC 10233, 10308.5, 10354)

RECYCLED CONTENT CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

Name and Title of Person Signing	Date Executed
Authorized Signature	Executed in the County of Los Angeles
Title	Telephone Number
Legal Business Name Los Angeles County Sheriff's Department	Federal ID Number 95-6000927

The Contractor hereby certifies under penalty of perjury, that percent of the materials, goods, supplies offered, or products used in the performance of this contract meets the or exceeds the minimum percentage of recycled material as defined in Sections 12161 and 12200 of the Public Contract Code. The Contractor may certify that the product contains zero recycled content.

EXHIBIT E (Cont.)**CCC-04/201****CERTIFICATION**

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

Grantee Agency Name (Printed)		Federal ID Number
Los Angeles County Sheriff's Department		95-6000927
By (Authorized Signature)		
Printed Name and Title of Person Signing		
,		
Date Executed	Executed in the County of	
	Los Angeles	

CONTRACTOR CERTIFICATION CLAUSES**STATEMENT OF COMPLIANCE:**

Contractor has, unless exempted, complied with the nondiscrimination program requirements. (GC 12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

DRUG-FREE WORKPLACE REQUIREMENTS:

Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

NATIONAL LABOR RELATIONS BOARD CERTIFICATION:

Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT:

Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

EXPATRIATE CORPORATIONS:

Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

SWEATFREE CODE OF CONDUCT:

- a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.
- b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

DOMESTIC PARTNERS:

For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST:

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION:

Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT:

Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE:

An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

- a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
- b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.
- c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION:

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION:

Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204:

This form must be completed by all contractors that are not another state agency or other governmental entity.

Sample Bid/Proposal Attachment regarding the Darfur Contracting Act of 2008

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code sections 10475, et seq.; Stats. 2008, Ch. 272). The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with “scrutinized” companies that do business in the African nation of Sudan (of which the Darfur region is a part), for the reasons described in Public Contract Code section 10475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a)).

Therefore, Public Contract Code section 10478 (a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a “scrutinized” company when it submits a bid or proposal to a State agency. (See # 1 on the sample Attachment).

A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from the Department of General Services (DGS) according to the criteria set forth in Public Contract Code section 10477(b). (See # 2 on the sample Attachment).

The following sample Attachment may be included in an IFB or RFP to satisfy the Act’s certification requirements of bidders and proposers.

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Exhibit F**DARFUR CONTRACTING ACT**

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a "scrutinized" company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

1. _____ We do not currently have, or we have not had within the previous three years, business activities or other operations outside of the United States.

OR

2. _____ We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.

OR

3. _____ We currently have, or we have had within the previous three years, business activities or other operations outside of the United States, but we certify below that we are not a scrutinized company as defined in Public Contract Code section 10476.

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

Grantee Agency Name (Printed)		Federal ID Number
Los Angeles County Sheriff's Department		95-6000927
By (Authorized Signature)		
Printed Name and Title of Person Signing		
,		
Date Executed	Executed in the County of	
	Los Angeles	

**YOUR BID OR PROPOSAL WILL BE DISQUALIFIED UNLESS YOUR BID OR PROPOSAL
INCLUDES THIS FORM WITH EITHER PARAGRAPH #1 OR #2 INITIALED OR PARAGRAPH #3
INITIALED AND CERTIFIED**

General**1 Applicant Information**

- a. Applicant Name Los Angeles County Sheriff's Department
b. Organizational Unit 10
c. Address 211 W. Temple Street
d. Address 2
e. City Los Angeles State CA Zip 90012
f. Federal ID Number 95-6000927 Reference No. 0000003047
g. Agency Type
☐ City ☒ County
☐ State Agency ☐ District

2 Project Information

- a. Project Name Boating Safety and Enforcement
b. Is implementing agency same as Applicant ☐ Yes ☒ No
c. Implementing Agency Name Sheriff's Department
Address 211 W. Temple Street
City Los Angeles State CA Zip 90012
Phone (213) 229-1803 Fax
d. Project Start Date Oct-01-2019 End Date Sep-30-2034
e. Amount of Funds Requested \$68,725.00 Project Cost \$68,725.00

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3 Contacts

a. Financial Director

Name	Brent Carlson				
Title	Harbormaster				
Mailing Address	13851 Fiji Way				
City	Marina del Rey	State	CA	Zip	90292
Telephone	(310) 482-6030			Fax	(323) 415-2942
E-mail Address	bscarlso@lasd.org				

b. Project Administrator

Name	Geoia Bearden				
Title	Grants Administrator				
Mailing Address	211 West Temple Street, 6th Floor				
City	Los Angeles	State	CA	Zip	90012
Telephone	(213) 229-1804			Fax	(323) 415-6326
E-mail Address	grantsunit@lasd.org				

c. Authorized Representative

Name	Ron Nohles				
Title	Deputy				
Mailing Address	13851 Fiji Way				
City	Marina del Rey	State	CA	Zip	90292
Telephone	(310) 482-6031			Fax	(323) 415-2592
E-mail Address	rcnohles@lasd.org				

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1. Statement of Need

As boating safety and enforcement has become increasingly important in Los Angeles County. The Los Angeles County Sheriff's Department is constantly seeking creative and cost effective ways to improve safety and service to the general public and the maritime community. It is the intention of the Los Angeles County Sheriff's Department, Marina del Rey Station and Parks Bureau to participate in the Department of Boating and Waterways equipment grant program.

The Marina del Rey Marine Enforcement Detail is a 24-hour a day patrol entity which is actively involved in federal and state sponsored maritime law enforcement operations and training, public safety education, and enforcement and safety inspections. With over 5000 recreational boats in Marina del Rey and over 500,000 visitors to our inland lakes and waterways, our deputies perform hundreds of rescues, investigate boating accidents, conduct evidence recovery operations, and plan or participate in several disaster coordination events every year.

As first responders, marine enforcement deputies are often tasked with diving in emergency situations. In the past few months, our divers were called upon to search for downed aircraft, missing divers, missing swimmers, and recover submerged evidence. Diving equipment has been, and will continue to be, an essential part of serving the public and keeping our divers as safe as possible.

The items requested includes necessary patrol boat equipment, such as crewsaver life-raft for our offshore vessel and emergency personal locator devices (Ocean Signal MOB1) to locate our deputies in an emergency if they go overboard. Also, a SCUBA diving communication system for lake patrol deputies, who frequently dive in low to zero visibility conditions, dive computers for both dive teams and various dive equipment. The anticipated cost for the requested equipment is \$68,725.00

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1. California State Senate Districts

Select one or more of the California State Senate Districts where the proposed project activities will occur. Copy and Paste the URL (http://www.legislature.ca.gov/legislators_and_districts/districts/districts.html) in your browser to determine the State Senate district(s).

- | | | | | |
|---|---|---|--|---|
| <input type="checkbox"/> State Senate 01 | <input type="checkbox"/> State Senate 02 | <input type="checkbox"/> State Senate 03 | <input type="checkbox"/> State Senate 04 | <input type="checkbox"/> State Senate 05 |
| <input type="checkbox"/> State Senate 06 | <input type="checkbox"/> State Senate 07 | <input type="checkbox"/> State Senate 08 | <input type="checkbox"/> State Senate 09 | <input type="checkbox"/> State Senate 10 |
| <input type="checkbox"/> State Senate 11 | <input type="checkbox"/> State Senate 12 | <input type="checkbox"/> State Senate 13 | <input type="checkbox"/> State Senate 14 | <input type="checkbox"/> State Senate 15 |
| <input type="checkbox"/> State Senate 16 | <input type="checkbox"/> State Senate 17 | <input type="checkbox"/> State Senate 18 | <input type="checkbox"/> State Senate 19 | <input checked="" type="checkbox"/> State Senate 20 |
| <input type="checkbox"/> State Senate 21 | <input checked="" type="checkbox"/> State Senate 22 | <input type="checkbox"/> State Senate 23 | <input type="checkbox"/> State Senate 24 | <input type="checkbox"/> State Senate 25 |
| <input checked="" type="checkbox"/> State Senate 26 | <input type="checkbox"/> State Senate 27 | <input checked="" type="checkbox"/> State Senate 28 | <input type="checkbox"/> State Senate 29 | <input checked="" type="checkbox"/> State Senate 30 |
| <input type="checkbox"/> State Senate 31 | <input type="checkbox"/> State Senate 32 | <input type="checkbox"/> State Senate 33 | <input type="checkbox"/> State Senate 34 | <input checked="" type="checkbox"/> State Senate 35 |
| <input type="checkbox"/> State Senate 36 | <input type="checkbox"/> State Senate 37 | <input type="checkbox"/> State Senate 38 | <input type="checkbox"/> State Senate 39 | <input type="checkbox"/> State Senate 40 |

2. California State Assembly Districts

Select one or more of the California State Assembly Districts where the proposed project activities will occur. Copy and Paste the URL (http://www.legislature.ca.gov/legislators_and_districts/districts/districts.html) in your browser to determine the State Assembly district(s).

- | | | | |
|---|---|---|--|
| <input type="checkbox"/> State Assembly 01 | <input type="checkbox"/> State Assembly 02 | <input type="checkbox"/> State Assembly 03 | <input type="checkbox"/> State Assembly 04 |
| <input type="checkbox"/> State Assembly 05 | <input type="checkbox"/> State Assembly 06 | <input type="checkbox"/> State Assembly 07 | <input type="checkbox"/> State Assembly 08 |
| <input type="checkbox"/> State Assembly 09 | <input type="checkbox"/> State Assembly 10 | <input type="checkbox"/> State Assembly 11 | <input type="checkbox"/> State Assembly 12 |
| <input type="checkbox"/> State Assembly 13 | <input type="checkbox"/> State Assembly 14 | <input type="checkbox"/> State Assembly 15 | <input type="checkbox"/> State Assembly 16 |
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| <input type="checkbox"/> State Assembly 41 | <input type="checkbox"/> State Assembly 42 | <input checked="" type="checkbox"/> State Assembly 43 | <input type="checkbox"/> State Assembly 44 |
| <input checked="" type="checkbox"/> State Assembly 45 | <input checked="" type="checkbox"/> State Assembly 46 | <input type="checkbox"/> State Assembly 47 | <input type="checkbox"/> State Assembly 48 |
| <input type="checkbox"/> State Assembly 49 | <input checked="" type="checkbox"/> State Assembly 50 | <input checked="" type="checkbox"/> State Assembly 51 | <input type="checkbox"/> State Assembly 52 |
| <input checked="" type="checkbox"/> State Assembly 53 | <input checked="" type="checkbox"/> State Assembly 54 | <input type="checkbox"/> State Assembly 55 | <input type="checkbox"/> State Assembly 56 |
| <input type="checkbox"/> State Assembly 57 | <input checked="" type="checkbox"/> State Assembly 58 | <input checked="" type="checkbox"/> State Assembly 59 | <input type="checkbox"/> State Assembly 60 |
| <input type="checkbox"/> State Assembly 61 | <input checked="" type="checkbox"/> State Assembly 62 | <input type="checkbox"/> State Assembly 63 | <input type="checkbox"/> State Assembly 64 |
| <input type="checkbox"/> State Assembly 65 | <input checked="" type="checkbox"/> State Assembly 66 | <input type="checkbox"/> State Assembly 67 | <input type="checkbox"/> State Assembly 68 |
| <input type="checkbox"/> State Assembly 69 | <input type="checkbox"/> State Assembly 70 | <input type="checkbox"/> State Assembly 71 | <input type="checkbox"/> State Assembly 72 |
| <input type="checkbox"/> State Assembly 73 | <input type="checkbox"/> State Assembly 74 | <input type="checkbox"/> State Assembly 75 | <input type="checkbox"/> State Assembly 76 |
| <input type="checkbox"/> State Assembly 77 | <input type="checkbox"/> State Assembly 78 | <input type="checkbox"/> State Assembly 79 | <input type="checkbox"/> State Assembly 80 |

3. California Congressional Districts

Select one or more of the California Congressional Districts where the proposed project activities will occur. Copy and Paste the URL (<https://www.govtrack.us/congress/members/CA>) in your browser to determine the Congressional district(s).

- | | | |
|--|--|--|
| <input type="checkbox"/> Congressional District 1 | <input type="checkbox"/> Congressional District 2 | <input type="checkbox"/> Congressional District 3 |
| <input type="checkbox"/> Congressional District 4 | <input type="checkbox"/> Congressional District 5 | <input type="checkbox"/> Congressional District 6 |
| <input type="checkbox"/> Congressional District 7 | <input type="checkbox"/> Congressional District 8 | <input type="checkbox"/> Congressional District 9 |
| <input type="checkbox"/> Congressional District 10 | <input type="checkbox"/> Congressional District 11 | <input type="checkbox"/> Congressional District 12 |
| <input type="checkbox"/> Congressional District 13 | <input type="checkbox"/> Congressional District 14 | <input type="checkbox"/> Congressional District 15 |
| <input type="checkbox"/> Congressional District 16 | <input type="checkbox"/> Congressional District 17 | <input type="checkbox"/> Congressional District 18 |
| <input type="checkbox"/> Congressional District 19 | <input type="checkbox"/> Congressional District 20 | <input type="checkbox"/> Congressional District 21 |

Exhibit G - BOATING SAFETY AND ENFORCEMENT EQUIPMENT GRANTEE APPLICATION

- | | | |
|---|---|---|
| <input type="checkbox"/> Congressional District 22 | <input type="checkbox"/> Congressional District 23 | <input type="checkbox"/> Congressional District 24 |
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| <input checked="" type="checkbox"/> Congressional District 37 | <input type="checkbox"/> Congressional District 38 | <input checked="" type="checkbox"/> Congressional District 39 |
| <input type="checkbox"/> Congressional District 40 | <input type="checkbox"/> Congressional District 41 | <input type="checkbox"/> Congressional District 42 |
| <input checked="" type="checkbox"/> Congressional District 43 | <input checked="" type="checkbox"/> Congressional District 44 | <input type="checkbox"/> Congressional District 45 |
| <input type="checkbox"/> Congressional District 46 | <input type="checkbox"/> Congressional District 47 | <input type="checkbox"/> Congressional District 48 |
| <input type="checkbox"/> Congressional District 49 | <input type="checkbox"/> Congressional District 50 | <input type="checkbox"/> Congressional District 51 |
| <input type="checkbox"/> Congressional District 52 | <input type="checkbox"/> Congressional District 53 | |

4. County

Select one or more of the California Counties where the proposed project activities will occur.

- | | | | | | |
|---|--|--------------------------------------|--|-------------------------------------|---|
| <input type="checkbox"/> Alameda | <input type="checkbox"/> Alpine | <input type="checkbox"/> Amador | <input type="checkbox"/> Butte | <input type="checkbox"/> Calaveras | <input type="checkbox"/> Colusa |
| <input type="checkbox"/> Contra Costa | <input type="checkbox"/> Del Norte | <input type="checkbox"/> El Dorado | <input type="checkbox"/> Fresno | <input type="checkbox"/> Glenn | <input type="checkbox"/> Humboldt |
| <input type="checkbox"/> Imperial | <input type="checkbox"/> Inyo | <input type="checkbox"/> Kern | <input type="checkbox"/> Kings | <input type="checkbox"/> Lake | <input type="checkbox"/> Lassen |
| <input checked="" type="checkbox"/> Los Angeles | <input type="checkbox"/> Madera | <input type="checkbox"/> Marin | <input type="checkbox"/> Mariposa | <input type="checkbox"/> Mendocino | <input type="checkbox"/> Merced |
| <input type="checkbox"/> Modoc | <input type="checkbox"/> Mono | <input type="checkbox"/> Monterey | <input type="checkbox"/> Napa | <input type="checkbox"/> Nevada | <input type="checkbox"/> Orange |
| <input type="checkbox"/> Placer | <input type="checkbox"/> Plumas | <input type="checkbox"/> Riverside | <input type="checkbox"/> Sacramento | <input type="checkbox"/> San Benito | <input type="checkbox"/> San Bernardino |
| <input type="checkbox"/> San Diego | <input type="checkbox"/> San Francisco | <input type="checkbox"/> San Joaquin | <input type="checkbox"/> San Luis Obispo | <input type="checkbox"/> San Mateo | <input type="checkbox"/> Santa Barbara |
| <input type="checkbox"/> Santa Clara | <input type="checkbox"/> Santa Cruz | <input type="checkbox"/> Shasta | <input type="checkbox"/> Sierra | <input type="checkbox"/> Siskiyou | <input type="checkbox"/> Solano |
| <input type="checkbox"/> Sonoma | <input type="checkbox"/> Stanislaus | <input type="checkbox"/> Sutter | <input type="checkbox"/> Tehama | <input type="checkbox"/> Trinity | <input type="checkbox"/> Tulare |
| <input type="checkbox"/> Tuolumne | <input type="checkbox"/> Ventura | <input type="checkbox"/> Yolo | <input type="checkbox"/> Yuba | | |

1. Citation Authority

Does your boating safety and enforcement unit have citation authority? ☒ Yes ☐ No

If YES, Code # 830.1 PC

Does your boating safety and enforcement unit have arrest authority? ☒ Yes ☐ No

If YES, Code # 830.1 PC

Do you have an active marine patrol program? ☒ Yes ☐ No

Number of marine patrol officers:

- a. Full Time 38
- b. Part Time 0

2. Boating Safety and Enforcement Income**Tax Revenue:**

County Boat Tax Revenue 3,570,298.42

Other Revenue:

- a. Other local revenue sources 0.00
- b. Any state funding sources, including DBW 2,120,000.00

TOTAL ANNUAL INCOME 5,690,298.42

Expenditures for boating safety and enforcement as defined in Section 663.7 (a) of the Harbors and Navigation Code: 7,954,000

If you received an equipment grant in the previous closed year, did you expend at least 95% of the grant? ☐ Yes ☐ No ☒ N/A

If NO, the agency left a balance of \$

If you participate in the subvention program, were all allocated funds expended in the previous closed year? ☒ Yes ☐ No ☐ N/A

If NO, the agency left a balance of \$

3. Describe your agency's boating safety and enforcement activities

Marina del Rey Marine Enforcement Detail is a full time, 24-hour a day, patrol entity. It is responsible for enforcing federal, state, and local ordinances, ocean rescues, responding to medical emergencies, investigating boating accidents, conducting evidence recovery and sunken boat operations, and safety inspections. It is the only local patrol entity for Marina del Rey Harbor, and Los Angeles County waters, including 128 miles of coast lining the Santa Monica Bay, Santa Catalina and San Clemente islands. Vital transportation shipping lanes bisect Los Angeles County waters.

In addition, the Marine Enforcement Detail is actively involved in boater safety education, youth sailing programs, and numerous civic organizations. The Marine Enforcement Detail acts as liaison between the Sheriff's Department and the United States Coast Guard. Sheriff boat operators routinely educate, warn, cite, or arrest boaters for boating related violations. They participate annually in Operation Dry Water and collaborate with an array of federal, state, and local agencies with regard to illegal smuggling operations, and natural or man-made disaster contingencies.

Parks Bureau boat deputies provide similar boating enforcement, accident investigations, diving operations, and rescues for Pyramid and Castaic Lakes. The lakes are visited by over 500,000 recreational boaters each year. Parks Bureau deputies are additionally responsible for the security of several dams and bridges surrounding lake waters.

4. Describe your agency's needs for this grant

a. Is the grant request for:

- ☐ New Patrol Boat ☒ Equipment / Repairs

** All items purchased with funding provided by the Division of Boating and Waterways are for the exclusive use of the Boating Safety and Enforcement Unit.*

b. Your BS&E unit will use this patrol boat for _____ hours per week.

c. Describe patrol boat in a two-foot window (ex. 19' - 21')

d. Please upload boat specifications for review

e. Describe type of engine and propulsion

f. Describe trailer

g. Give estimated cost of above

h. Attach at least two quotes

Name	Attachment

5. Describe the recreational boating activity on your waterways:

Marina del Rey Harbor is home to over 5000 recreational boats. It is the second largest man-made recreational port in the world, and the largest in the western hemisphere. Marina del Rey is also home to the University of California - Los Angeles and Loyola Marymount University's men's and women's rowing teams. Numerous rowing organizations and sailing clubs utilize the marina daily. The jurisdiction of Los Angeles County Sheriff's Department waters span beyond Marina del Rey, covering the Santa Monica Bay, and around Santa Catalina and San Clemente Islands. These waters are traveled by thousands of recreational boats each year, and are a major thoroughfare for vessels transiting the California coastline and Channel Islands.

In addition to the boats calling Marina del Rey their home port, the launch ramp facility is used thousands of times each year by recreational boaters from throughout Southern California to access the harbor and coastal waters. The waterways of Los Angeles County are utilized 24 hours a day. Vessels in the Sheriff's Department jurisdiction range from stand up paddle boards and kayaks, to small sail boats and Personal Water Craft, to 200 foot mega yachts. The majority of the recreational boats range from 20 to 50 feet. The experience level of recreational boaters varies from United States Coast Guard licensed captains, to first time boaters utilizing one of Marina del Rey's rental boat facilities or novice sailing programs.

Los Angeles County waterways host an array of events each year. These events include numerous sailing regattas, fishing tournaments, boat shows, and holiday boat parades.

Los Angeles County lakes see over 500,000 visitors every year. Recreational vessels using the lakes include kayaks, personal water craft, sail boats, and power boats up to 40 feet. The lakes host numerous fishing tournaments yearly, along with sanctioned boating events and holiday celebrations.

6. Describe patrol boat/trailer/outboard motor being replaced**a. Vessel**

Year	Make	Length	CF#	HIN #

b. Trailer

Year	Make	Length	Axles	License	VIN#

c. Outboard Motor(s)

Year	Make	Horsepower	Serial #

- d. If requesting to replace/modify a vessel, your agency must provide the completed Office of Fleet Administration #6 form (OFA6).

7. List your boating inventory (County and State owned)

Year	Make	CF #
1,988	Seaway	2549XC
1,988	Seaway	2585XC
1,988	Seaway	2551XC
2,005	Mooseboat	4779XC
2,007	Mooseboat	4968XC
1,969	Drake	0579XC
1,972	Monarch	4807XC
2,003	Safeboat	EG0003661303
2,004	Safeboat	EG000589L404
2,007	Tender Boat	ITCB1203H607
1,963	Boston Whaler	0175XC
1,994	Boston Whaler	4629XC
2,002	Ambar	4779XC
2,003	Safeboat	9989
1,987	Boston Whaler	BWC5E550A787
1,988	Boston Whaler	3933XC
2,003	Safeboat	9984XC
2,004	Safeboat	EG000578K404
2,004	Safeboat	9988XC
2,006	Safeboat	9987XC
2,006	Boulton	4870XC
2,010	Thunder Jet	5121XC
2,013	Seadoo	5536XC
2,013	Seadoo	5875XF
2,006	Zodiac	DCB774MK506

DRAFT

Budget Detail for Boating Safety and Enforcement Equipment Grant - FY 2019 / 20
Agency: Los Angeles County Sheriff's Department
Application: Boating Safety and Enforcement

	Line Item	Qty	Rate	UOM	Total	Req Amount
1	Equipment					
	Marine Patrol Equipment Notes : Qty Rate Description Total with Tax 2 \$350.00 Night Vision AVS Mounts \$764.75 2 \$150.00 ANVIS Low Profile Battery Pack \$327.75 \$1,092.50	1.0000	1092.500	EA	1,093.00	1,093.00
	Communications Notes : Qty Rate Description Total with Tax 7 \$2,609.10 Diver Transceiver \$19,998.75	7.0000	2856.960	EA	19,999.00	19,999.00
	Dive Gear Notes : Qty Rate Description Total with Tax 23 \$729.50 Shearwater Perdix Dive Computer \$18,372.46 9 \$249.50 Shearwater Perdix Transmitter \$2,458.82 7 \$389.35 Regulator "Aqua Lung LX Sets \$2,984.37 7 \$169.00 Regulator "Aqua Lung LX Octo \$1,295.39 4 \$61.75 Retractable Compass "Genesis" \$270.47 \$25,381.50	1.0000	25382.000	EA	25,382.00	25,382.00
	Dive Gear Notes : Qty Rate Description Total with Tax 15 \$60.00 Scuba Regulator Overhaul Labor \$985.50 15 \$45.00 Scuba Regulator Overhaul Parts \$739.13 15 \$30.00 Scuba Regulator Annual Service \$492.75 20 \$20.00 Scuba Tank Hydro \$438.00 20 \$15.00 Nitrox Tank Fill \$328.50 \$2,983.88	1.0000	2983.880	EA	2,984.00	2,984.00

Budget Detail for Boating Safety and Enforcement Equipment Grant - FY 2019 / 20
Agency: Los Angeles County Sheriff's Department
Application: Boating Safety and Enforcement

Line Item	Qty	Rate	UOM	Total	Req Amount
Dive Gear Notes : Qty Rate Description Total with Tax 4 \$230.21 Pelican Box "iM2950" \$1,008.33 16 14.30 Dive Auto Locking Carabiners \$250.54 16 \$6.89 Dive Wetsuit Hanger \$120.71 16 \$11.70 Dive accessory Hanger \$204.98 16 \$8.03 Dive BCD and Hanger \$140.64 4 \$131.25 600' 5/8 polypropylene surf line \$574.88 16 \$26.00 Glowstick XS Scuba \$455.52 \$2,755.60	1.0000	2756.000	EA	2,756.00	2,756.00
Dive Gear Notes : Qty Rate Description Total w/ Tax 18 \$35.28 5mm Kevlar Glove sets \$695.37 18 \$42.25 ThermoFlex Dive Boot set \$832.75 4 \$52.00 Scuba Tank Valve \$227.76 \$1755.87	1.0000	1756.000	EA	1,756.00	1,756.00
Dive Gear Notes : Qty Rate Description Total w/ Tax 7 \$113.10 Fins "Twin Jet Max Scuba Pro" \$866.91 \$866.91	1.0000	867.000	EA	867.00	867.00
Dive Gear Notes : Qty Rate Description Total w/ Tax 12 \$359.99 Hero 7 Black Specialty Bundle \$4,730.28 12 \$44.99 Housing for GoPro \$591.18 12 \$17.99 Grab Bag of Mounts for GoPro \$236.40 \$5,557.86	1.0000	5557.860	EA	5,558.00	5,558.00
Safety Equipment Notes : Qty Rate Description Total with	1.0000	8330.260	EA	8,330.00	8,330.00

Budget Detail for Boating Safety and Enforcement Equipment Grant - FY 2019 / 20
Agency: Los Angeles County Sheriff's Department
Application: Boating Safety and Enforcement

	Line Item	Qty	Rate	UOM	Total	Req Amount
	Tax					
	4 \$33.80 Pelican Float Yellow \$148.04					
	10 \$22.75 Surface Marker Buoy \$249.11					
	10 \$16.50 Finger Spool XS Scuba \$180.68					
	20 \$45.00 Mustang Survival Throw Bag 75' \$985.50					
	16 \$279.99 Ocean Signal MOB1 DSC/AIS \$4,905.42					
	1 \$1,700.00 Crewsaver ISO Approved Life-raft \$1,861.50					
	\$8,330.26					
Total for Equipment					68,725.00	68,725.00
2	Adjustment					
TOTAL EXPENDITURES					68,725.00	68,725.00

Budget Summary for Boating Safety and Enforcement Equipment Grant - FY 2019 / 20
Agency: Los Angeles County Sheriff's Department
Application: Boating Safety and Enforcement

	Category	Total	Req Amount	Narrative
1	Equipment	68,725.00	68,725.00	
2	Adjustment	0.00	0.00	
TOTAL EXPENDITURES		68,725.00	68,725.00	

DRAFT

Applicant Certification

- a. ☒ Under penalty of perjury, I certify that I have examined this application and the document(s), proposal(s), and statement(s) submitted in conjunction herewith, and that to the best of my information and belief, the information contained herein is true, accurate, correct, and complete.
- b. ☒ I certify that I am the person authorized to submit this application on behalf of the applicant.

Name: Timothy K. Murakami

Title: Undersheriff

Date Signed: 04/19/201
9

DRAFT



COUNTY OF LOS ANGELES FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE
LOS ANGELES, CALIFORNIA 90063-3294
(323) 881-2401
www.fire.lacounty.gov

"Proud Protectors of Life, Property, and the Environment"

BOARD OF SUPERVISORS

HILDA L. SOLIS
FIRST DISTRICT

MARK RIDLEY-THOMAS
SECOND DISTRICT

SHEILA KUEHL
THIRD DISTRICT

JANICE HAHN
FOURTH DISTRICT

KATHRYN BARGER
FIFTH DISTRICT

DARYL L. OSBY
FIRE CHIEF
FORESTER & FIRE WARDEN

March 17, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL TO ACCEPT A ONE-TIME DONATION
OF FOUR BULLARD THERMAL IMAGER CAMERAS
FROM THE FIREHOUSE SUBS PUBLIC SAFETY FOUNDATION
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

The Consolidated Fire Protection District of Los Angeles County (District) is requesting Board of Supervisors (Board) approval to accept a one-time donation of four Bullard Thermal Imager Cameras (TI) valued at \$22,762.86 from the Firehouse Subs Public Safety Foundation (FSPSF). The FSPSF is requesting the District acknowledge the donation by displaying the FSPSF logo on grant funded equipment.

**IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF
THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY:**

1. Authorize the District to accept a one-time donation of four TI valued at \$22,763, from the FSPSF according to the attached e-mail, see Attachment I.
2. Find that the donated equipment is exempt from the provision of the California Environmental Quality Act (CEQA).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The TI are critical to the delivery of emergency services by firefighters to the citizens of Los Angeles County. TI utilize infrared technology to produce the ultimate image display in extreme fire conditions. TI would dramatically reduce fatalities and injuries to civilians by allowing firefighters to quickly locate victims in a zero-visibility environment. The TI

will also significantly reduce the amount of property damage incurred by allowing firefighters to quickly identify hot spots within a structure and increase firefighter safety.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of the recommended actions is consistent with the County's Strategic Plan, Goal No. III, Strategy III.3: Pursue Operational Effectiveness, Fiscal Responsibility and Accountability, by continually assessing our efficiency and effectiveness, maximizing and leveraging resources, and holding ourselves accountable.

FISCAL IMPACT/FINANCING

The entire cost of the TI's is fully covered by the donation. There is no impact on the District's budget or to net county cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Government Code Section 25355 permits the County to accept donations or other gifts for a specific County purpose. Section 2.4.2 of the County Fiscal Manual authorizes county departments to accept donations of more than \$10,000 with Board approval. The FSPSF is requesting the District acknowledge the donation by displaying the FSPSF logo on grant funded equipment, with final artwork approved by the FSPSF, see Attachment II. In the event the District chooses to participate in a press release, a drafted press release or social media announcement must be sent to the FSPSF for approval.

ENVIRONMENTAL DOCUMENTATION

The TI are exempt from the CEQA as it will not result in a direct or reasonable foreseeable impact on the environment in accordance with Section 15061(b)(3) of the State of California CEQA guidelines.

IMPACT OF CURRENT SERVICES (OR PROJECTS)

This donation will provide firefighters with equipment to continue with their mission in protecting lives, the environment, and property.

CONCLUSION

Upon approval by your Honorable Board, please instruct the Executive Officer to return the adopted stamped copy of this letter to the following:

Consolidated Fire Protection District of Los Angeles County
Executive Office
Attention: Debbie Aguirre, Chief of Staff
1320 North Eastern Avenue
Los Angeles, CA 90063
Debbie.Aguirre@fire.lacounty.gov

The District contact may be reached at (323) 881-6180.

Respectfully submitted,

DARYL L. OSBY, FIRE CHIEF

DLO:ve

Enclosures

c: Chief Executive Officer
Executive Office, Board of Supervisors
County Counsel
Auditor-Controller

From: Firehouse Subs Public Safety Foundation [mailto:foundation@firehousesubs.com]

Sent: Monday, January 6, 2020 7:57 AM

To: Estrada, Victoria <Victoria.Estrada@fire.lacounty.gov>

Cc: Jeff Press <jeff.press@firehousesubs.com>; Jim Fick <jim.fick@firehousesubs.com>; Keith Teagarden <keith.teagarden@firehousesubs.com>; Firehouse Subs Public Safety Foundation <foundation@firehousesubs.com>

Subject: APPROVED: Firehouse Subs Public Safety Foundation Grant

CAUTION: External Email. Proceed Responsibly.

Dear Victoria,

We are pleased to announce that the Firehouse Subs Public Safety Foundation Board of Directors has awarded the **Los Angeles County Fire Department in Commerce, CA** the requested **Four Bullard Thermal Imaging Cameras** valued at up to **\$22,762.86**. If your grant award must be approved by your city council, please add this item to the agenda immediately, and contact Foundation@firehousesubs.com with the meeting date.

PROCUREMENT:

The procurement process for your grant award will be determined by our Foundation, and we will contact you no later than February 15, 2020 to initiate the process. Do not make any advanced purchases, as failure to adhere to our chosen method will jeopardize your grant award.

If you have any fulfillment questions, please email procurementfoundation@firehousesubs.com.

PUBLIC RELATIONS NOTES

Initial PR announcements:

- Any immediate media announcements from your organization regarding the grant award are optional. If you choose to draft a press release or social media announcement, please send it to FirehouseSubs@Zimmerman.com cc Foundation@firehousesubs.com for approval.

Once your equipment is received:

- A Firehouse Subs or Foundation representative may be in touch if planning a future celebratory dedication (PR) event in your area.

Use of the Firehouse Subs Public Safety Foundation logo:

- We ask that your organization acknowledges the grant by displaying our Foundation logo on granted items/equipment whenever possible. Our foundation logo is attached for your convenience. Please note that the final artwork will need to be approved by our Foundation before being displayed.

We are very excited to assist your organization and ultimately improve the lifesaving capabilities of your community.

Firehouse Subs Public Safety Foundation
foundation@firehousesubs.com

FirehouseSubsFoundation.org

[Twitter](#) [Facebook](#)

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Donated by:





COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242
(562) 940-2501



RAY LEYVA

Interim Chief Probation Officer

March 17, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

PAYMENT TO MORRISON MANAGEMENT SPECIALIST, INC. FOR YOUTH AND STAFF MEALS PROVIDED AT LOS PADRINOS JUVENILE HALL FOLLOWING THE SADDLERIDGE FIRE LOCAL EMERGENCY

(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

Request delegated authority from the Board of Supervisors (Board) for the Probation Department (Probation or Department) to pay Morrison Management Specialist, Inc. (Morrison) for youth and staff meals and related expenses for meals provided at Los Padrinos Juvenile Hall (LPJH) related to the October 10, 2019 evacuation of Barry J. Nidorf Juvenile Hall (BJNJH) due to the Saddleridge Fire emergency.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize Probation to reimburse Morrison for meal services provided to youth and staff at LPJH, and for hotel accommodation needs, commute costs, and other incidental emergency-related expenses in total approximating \$420,000 due to the displacement of Morrison's staff caused by the Saddleridge Fire.

PURPOSE/ JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of the recommended action is to obtain Board delegated authority for Probation to reimburse Morrison for their costs incurred to provide uninterrupted meal services for youth and staff who were evacuated on October 10, 2019 from BJNJH to LPJH due to the

Saddleridge Fire emergency. The requested reimbursement authority also includes reimbursement to Morrison for accommodation and commute costs provided to their culinary staff. Hotel accommodations are not part of our standard food service agreement but are believed by Probation to be appropriate in this instance due to the extensive additional commute burden Morrison's kitchen staff would otherwise endure.

Implementation of Strategic Plan Goals

The recommended action is consistent with the County of Los Angeles Strategic Plan Goal III: Realize Tomorrow's Government Today. Specifically, it will address Strategy III.3 to Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FINANCIAL IMPACT/FINANCING:

Probation has sufficient net County cost to fund these services and will capture qualifying incremental costs as part of applicable disaster claiming.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On October 10, 2019, the Saddleridge Fire in Sylmar resulted in the evacuation of BJNJH. Most of the youth and staff were relocated to LPJH in the City of Downey. On October 11, 2019, an order was signed by Board Chair Janice Hahn proclaiming the existence of a local emergency related to the Saddleridge Fire. Following repairs and refurbishments, youth and staff were returned to BJNJH December 14, 2019.

At the time of the BJNJH evacuation, LPJH was a vacant facility and therefore not equipped or supplied to serve meals to youth and staff. Morrison immediately transferred its BJNJH operations to LPJH to meet the food service needs of youth and staff. This included some innovative methods such as collaboration with nearby Kaiser Hospital for food preparation and securing hotel accommodations proximate to LPJH for Morrison's kitchen staff.

The contract for food service at each juvenile hall is specific to the location to facilitate competition among potential vendors. The Morrison contract for BJNJH was only applicable to the Sylmar facility, and Probation has no contract authority for food service at LPJH. Based on the emergency circumstances, the need for immediate action, and the Board's emergency proclamation, Probation continued to collaborate with Morrison to provide uninterrupted meal services for youth in our care and for the Probation and partner agency staff who provide care and treatment for these youth.

The Honorable Board of Supervisors

March 17, 2020

Page 3

IMPACT ON CURRENT SERVICES (OR PROJECTS):

The requested action will allow Probation to reimburse Morrison for their actual costs incurred for their responsive actions in an emergency situation to ensure uninterrupted meal services to our youth, our employees, and our partner entities. The inclusion of hotel and commute costs are a reasonable expense given the dislocation of Morrison's kitchen staff.

Respectfully submitted,

Ray Leyva
Interim Chief Probation Officer

RL:RS:ag

c: Executive Officer
 Chief Executive Office
 County Counsel



JACKIE LACEY
LOS ANGELES COUNTY DISTRICT ATTORNEY

HALL OF JUSTICE
211 WEST TEMPLE STREET, LOS ANGELES, CA 90012 (213) 974-3500

March 17, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE THE DISTRICT ATTORNEY TO COMPLETE THE APPLICATION
PROCESS AND ACCEPT GRANT FUNDS FROM THE CALIFORNIA OFFICE OF
EMERGENCY SERVICES (Cal OES) FOR HUMAN TRAFFICKING ADVOCACY
PROGRAM (HA) FOR PERFORMANCE PERIOD OF JANUARY 1, 2020 TO
DECEMBER 31, 2020 (CY2020).
(ALL DISTRICTS) (3-VOTES)**

SUBJECT

This Board Letter requests authority for the District Attorney's Office to complete the grant application process for continued grant funding for the Human Trafficking Advocacy Program (HA) in CY 2020. The California Office of Emergency Services (Cal OES) has awarded the District Attorney (DA) \$150,000 for the Human Trafficking Advocacy (HA) Program for CY 2020. Funding is made possible through the United States Department of Justice, Victims of Crime Act, Code of Federal Domestic Assistance 16.575. Grant recipients are required to submit necessary assurances and documentation; therefore, we are requesting the Chair to sign the required Certification of Assurance of Compliance form as required by the grantor.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the District Attorney (DA), on behalf of the County of Los Angeles, to complete the application and accept grant funds for the HA Program for CY 2020. The estimated total project cost is \$187,500. After the offset of \$150,000 in grant funds, the DA will absorb \$37,500 (required 20% match).
2. Request the Chair of the Board to sign and affix a wet signature to the attached Certification of Assurance of Compliance Form as required by the grantor.
3. Delegate authority to the DA, or her designee, to serve as Project Director for the program. This also includes authorization to approve any subsequent

amendments, modifications, and/or extensions to the Cal OES grant documents that do not increase the Net County Cost of the program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to continue the DA's commitment to assist victims of crime by alleviating trauma caused to sex trade and forced labor human trafficking victims, especially minors.

Cal OES released a Request for Application (RFA) for the HA program for performance period January 1, 2020 through December 31, 2020 on September 6, 2019. The DA is in the process of completing the application. In order to comply with the grant requirements, applicants are required to submit a Certification of Assurance of Compliance form which includes details regarding the Equal Employment Opportunity Program (EEOP), Drug Free Workplace Compliance, California Environmental Quality Act, Lobbying, Debarment and Suspension requirements, and Proof of Authority from the City Council/Governing Board. This documentation needs to be submitted before funding can be released by the funding agency.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of the recommended actions is consistent with the Los Angeles County's Strategic Plan Goal No. 1, Make Investments that Transform Lives: aggressively address society's most complicated social, health and public safety challenges; and Goal No. 3, Realize Tomorrow's Government Today: be an innovative, flexible, effective and transparent partner focused on public service and advancing the common good.

FISCAL IMPACT/FINANCING

The estimated total project cost for the HA in CY 2020 is \$187,500. After the offset of \$150,000 in grant funds, the DA will absorb \$37,500 (required 20% match).

If funding for this program were to be terminated, an evaluation would be conducted to determine whether the program would either be continued with costs absorbed by the department or discontinued with the reallocation of staff to vacant budgeted positions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board of Supervisors has designated the DA's Office, through its Victim Witness Assistance Program (VWAP), as the major provider of comprehensive services to victims of crime since 1977. Federal funds have been made available to VWAP

grantees to provide the intensive services needed by victims of sex trade and forced labor human trafficking crimes.

Human trafficking, or “modern day slavery,” is a menacing problem throughout Los Angeles County. Though hard to quantify, estimates are that there are at least 100,000 to 300,000 commercially sexually exploited children in the United States with Los Angeles being a destination County for human trafficking. Trafficking crimes are inherently difficult to detect. When victims are rescued, cooperation with police is rarely forthcoming and many are unwilling to testify against the traffickers.

Victims of sex trade and forced labor crimes continue to be “hidden in plain sight” within the County’s huge geographic territory and diverse population. Sex trade victims, particularly minors, are rotated on a “track” of main boulevards throughout the County: from San Fernando Valley to the border of Orange County (Pomona/Norwalk); to the Figueroa corridor (Central); and South County (Compton/Long Beach), which has the highest number of trafficking interceptions. The critical need for HA services throughout Los Angeles County is underscored by the growing epidemic of children from foster care being recruited by street gangs into the “prostitution life.” A 2010 study by Probation found that 60 percent of minors arrested for prostitution-related charges had a previous Department of Children and Family Services (DCFS) contact.

Three Victim Services Representatives (VSRs) or advocates will be assigned to the HA in CY 2020 to provide direct victim services to trafficking victims in designated “hot spot” areas. The HA VSRs will work collaboratively, through criminal justice and interagency efforts, to help identify trafficking victims, aid in their rescue, provide for their safety, and deliver the rehabilitative services needed to assist in rebuilding their lives.

The HA VSRs will coordinate and provide services for trafficking victims, especially minors, in South County (Compton/Long Beach), Central (greater LA), East County (Pomona/Norwalk), and North County (Sylmar/San Fernando/Antelope Valley/Pasadena). The HA VSRs will work closely with the DA’s Human Trafficking Unit prosecutors to provide victims the support needed to assist in bringing traffickers to justice. The comprehensive services provided by the HA VSRs include: crisis intervention, follow-up counseling, emergency services including witness protection and relocation, court orientation and escort, victim compensation application assistance, resource referrals, training to law enforcement agencies, community outreach, and activities that promote public awareness.

In 2019, the HA VSRs assisted 140 new trafficking victims. HA VSRs maintain long-term contact with the trafficking victims, coordinating a panoply of continuing services. These victims are often caught in multiple court systems that can include dependency,

criminal, and civil jurisdictions. To facilitate the coordinated delivery of services to this victim population, the HA VSRs participate in a number of working groups and taskforces targeting human trafficking of minors. In 2019, HA VSRs attended 43 separate multi-disciplinary meetings related to human trafficking.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This program does not propose attorney staff augmentation. Therefore, the DA's Office is not subject to the Board Motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Probation, Public Defender, and Sheriff's Departments.

CONCLUSION

Following Board approval, the Executive Officer-Clerk of the Board is requested to return two copies of the adopted Board letter and two Cal OES Certification of Assurance of Compliance Forms, with a wet (original) signature, to Kevin Lam, of the District Attorney's Office, Grants and Contracts Section at 211 W. Temple Street, Suite 200 Los Angeles, California 90012-3205

Any questions may be directed to Mr. Kevin Lam at (213) 257-2738, or at klam@da.lacounty.gov

Respectfully submitted,

JACKIE LACEY
District Attorney

kl

Attachments

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel

EXECUTIVE OFFICE – BOARD OF SUPERVISORS

AGENDA ENTRY

DATE OF MEETING:	March 17, 2020
DEPARTMENT NAME:	District Attorney's Office
BOARD LETTERHEAD	DISTRICT ATTORNEY
SUPERVISORIAL DISTRICT AFFECTED	ALL DISTRICTS
VOTES REQUIRED	3 - Votes
CHIEF INFORMATION OFFICER'S RECOMMENDATION	NONE

***** ENTRY MUST BE IN MICROSOFT WORD *****

Instructions: To comply with the Brown Act requirement the reader should fully understand what the department is asking the Board to approve. The recommendation must describe what the action is for; with whom the action is being taken; fiscal impact, including money amounts, funding sources, and effective dates. Also, include an instruction for the Chair (man) or Director to sign when such signature is required on a document.

Recommendation:

Authorize the District Attorney (DA), on behalf of the County of Los Angeles, to complete the application and accept grant funds for the Human Trafficking Advocacy (HA) Program for Calendar Year (CY) 2020. The estimated total project cost is \$187,500. After the offset of \$150,000 in grant funds, the DA will absorb \$37,500 (required 20% match). Request the Chair of the Board to sign and affix a wet signature to the attached Certification of Assurance of Compliance Form as required by the grantor. Delegate authority to the DA, or her designee, to serve as Project Director for the program. This also includes authorization to approve any subsequent amendments, modifications, and/or extensions to the California Office of Emergency Services (Cal OES) grant documents that do not increase the Net County Cost of the program.

Los Angeles County Chief Administrative Office
Grant Management Statement for Grants \$100,000 or More

Department:	DISTRICT ATTORNEY'S OFFICE
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Grant Project Title and Description	HUMAN TRAFFICKING ADVOCACY (HA) PROGRAM
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The Board of Supervisors has designated the District Attorney's Office, through its Victim Witness Assistance Program (VWAP), as the major provider of comprehensive services to victims of crime since 1977. Federal funds have been made available to VWAP grantees to provide the intensive services needed by trafficking victims, both forced labor and sex trade, through the Human Trafficking Advocacy Program (HA). Human Trafficking, "modern day slavery," is a menacing problem throughout Los Angeles County. Although hard to quantify, estimates are that at least 100,000 to 300,000 commercially sexually exploited children are in the United States, with Los Angeles being a destination County for human trafficking. The target areas for the HA is South County (Compton/Long Beach); East County (Pomona/Norwalk); Central (greater LA/Westside communities); and North County (Pasadena/Sylmar/San Fernando/Antelope Valley).

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
State of California Office of Emergency Services (Cal OES)	Penal Code Section 13835 et seq.	N/A

Total Amount of Grant Funding:	\$150,000	County Match:	\$37,500
Grant Period	Begin Date: January 1, 2020	End Date: December 31, 2020	
Number of Personnel Hired Under This Grant	Full Time: 3	Part Time: 0	

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program?	Yes	<u>X</u>	No	_____
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	<u>X</u>	No	_____
Is the County obligated to continue this program after the grant expires?	Yes	_____	No	<u>X</u>
If the County is not obligated to continue this program after the grant expires, the Department will:				
a.) Absorb the program cost without reducing other services	Yes	_____	No	<u>X</u>
b.) Identify other revenue sources (describe below)	Yes	_____	No	<u>X</u>

c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	<u>X</u>	No	_____

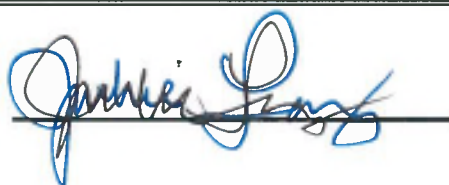
Impact of additional personnel on existing space:

None

Other requirements not mentioned above:

None

Department Head Signature



Date

1/16/20

**CERTIFICATION OF ASSURANCE OF COMPLIANCE
Victims of Crime Act (VOCA) Fund**

I, JACKIE LACEY hereby certify that
(official authorized to sign Subaward; same person as Section 15 on Subaward Face Sheet)

Subrecipient: COUNTY OF LOS ANGELES

Implementing Agency: DISTRICT ATTORNEY'S OFFICE

Project Title: HUMAN TRAFFICKING ADVOCACY PROGRAM

is responsible for reviewing the *Subrecipient Handbook* and adhering to all of the Subaward requirements (state and/or federal) as directed by Cal OES including, but not limited to, the following areas:

I. Federal Grant Funds

Subrecipients expending \$750,000 or more in federal grant funds annually are required to secure an audit pursuant to OMB Uniform Guidance 2 CFR Part 200, Subpart F and are allowed to utilize federal grant funds to budget for the audit costs. See Section 8000 of the Subrecipient Handbook for more detail.

- ☒ The above named Subrecipient receives \$750,000 or more in federal grant funds annually.
- ☐ The above named Subrecipient does not receive \$750,000 or more in federal grant funds annually.

II. Equal Employment Opportunity – (Subrecipient Handbook Section 2151)

It is the public policy of the State of California to promote equal employment opportunity (EEO) by prohibiting discrimination or harassment in employment because of race, color, religion, religious creed (including religious dress and grooming practices), national origin, ancestry, citizenship, physical or mental disability, medical condition (including cancer and genetic characteristics), genetic information, marital status, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity, gender expression, age, sexual orientation, veteran and/or military status, protected medical leaves (requesting or approved for leave under the Family and Medical Leave Act or the California Family Rights Act), domestic violence victim status, political affiliation, and any other status protected by state or federal law. **Cal OES-funded projects certify that they will comply with all state and federal requirements regarding equal employment opportunity, nondiscrimination and civil rights.**

Please provide the following information:

Equal Employment Opportunity Officer: ALAYNA ELAM

Title: CHIEF OF HUMAN RESOURCES DIVISION

Address: 211 WEST TEMPLE STREET, SUITE 200, LOS ANGELES, CA 90012-2305

Phone: (213) 257-2701

Email: AELAM@DA.LACOUNTY.GOV

III. Drug-Free Workplace Act of 1990 – (Subrecipient Handbook, Section 2152)

The State of California requires that every person or organization subawarded a grant or contract shall certify it will provide a drug-free workplace.

IV. California Environmental Quality Act (CEQA) – (Subrecipient Handbook, Section 2153)

The California Environmental Quality Act (CEQA) (*Public Resources Code, Section 21000 et seq.*) requires all Cal OES funded projects to certify compliance with CEQA. Projects receiving funding must coordinate with their city or county planning agency to ensure that the project is compliance with CEQA requirements.

V. Lobbying – (Subrecipient Handbook Section 2154)

Cal OES grant funds, grant property, or grant funded positions shall not be used for any lobbying activities, including, but not limited to, being 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 the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant or cooperative agreement.

VI. Debarment and Suspension – (Subrecipient Handbook Section 2155)

(This applies to federally funded grants only.)

Cal OES-funded projects must certify that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of federal benefits by a state or federal court, or voluntarily excluded from covered transactions by any federal department of agency.

VII. Proof of Authority from City Council/Governing Board – (Subrecipient Handbook Section 1350)

The above-named organization (Applicant) accepts responsibility for and will comply with the requirement to obtain a signed resolution from the city council/governing board in support of this program. The applicant agrees to provide all matching funds required for said project (including any amendment thereof) under the Program and the funding terms and conditions of Cal OES, and that any cash match will be appropriated as required. It is agreed that any liability arising out of the performance of this Subaward, including civil court actions for damages, shall be the responsibility of the grant Subrecipient and the authorizing agency. The State of California and Cal OES disclaim responsibility of any such liability. Furthermore, it is also agreed that grant funds received from Cal OES shall not be used to supplant expenditures controlled by the city council/governing board.

The applicant is required to obtain written authorization from the city council/governing board that the official executing this agreement is, in fact, authorized to do so. The applicant is also required to maintain said written authorization on file and readily available upon demand.

VIII. Civil Rights Compliance

The Subrecipient complies with all laws that prohibit excluding, denying or discriminating against any person based on actual or perceived race, color, national origin, disability, religion, age, sex, gender identity, and sexual orientation in both the delivery of services and employment practices and does not use federal financial assistance to engage in explicitly religious activities.

IX. Special Condition for Grant Subaward with Victims of Crime Act (VOCA) Funds

1. Applicability of Part 200 Uniform Requirements

The Subrecipient agrees to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by the Department of Justice (DOJ) in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements").

2. Compliance with DOJ Grants Financial Guide

The Subrecipient agrees to comply with the Department of Justice Grants Financial Guide as posted on the OJP website (currently, the "2015 DOJ Grants Financial Guide"), including any updated version that may be posted during the period of performance.

3. Requirements Pertaining to Prohibited Conduct Related to Trafficking in Persons (including reporting requirements and OJP authority to terminate award)

The Subrecipient agrees to comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of Subrecipient or individuals defined (for purposes of this condition) as "employees" of the Subrecipient.

The details of the Subrecipient's obligations regarding [prohibited conduct related to trafficking](http://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm) in persons are posted on the OJP website at: <http://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm> (Award condition: Prohibited conduct by Subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

4. Civil Rights and Nondiscrimination

The Subrecipient understands that the federal statutes and regulations pertaining to civil rights and nondiscrimination and, in addition:

- a. the Subrecipient understands that the applicable statutes pertaining to civil rights will include section 601 of the Civil Rights Act of 1964 (42 U.S.C. § 2000d); section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794); section 901 of the Education Amendments of 1972 (20 U.S.C. § 1681); and section 303 of the Age Discrimination Act of 1975 (42 U.S.C. § 6102);
- b. the Subrecipient understands that the applicable statutes pertaining to nondiscrimination may include section 809(c) of Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (34 U.S.C. § 10228(c)); section 1407(e) of the Victims of Crime Act of 1984 (34 U.S.C. § 20110 (e)) ; section 299A(b) of the Juvenile Justice and Delinquency Prevention Act of 2002 (34 U.S.C. § 11182(b)); and the grant condition set out at section 40002(b)(13) of the Violence Against Women Act (34 U.S.C. § 12291(b)(13), which will apply to all awards made by the Office of Violence Against Women, also may apply to an award made otherwise; and
- c. the Subrecipient understands they must comply with the specific assurances set out in 29 C.F.R. §§ 42.105 and 42.204.

5. Compliance with Applicable Rules Regarding Approval, Planning, and Reporting of Conferences, Meetings, Trainings, and Other Events

The Subrecipient agrees to comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "2015 DOJ Grants Financial Guide").

6. Effect of Failure to Address Audit Issues

The Subrecipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the Subrecipient does not satisfactorily and promptly address outstanding issues

from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

7. Reporting Potential Fraud, Waste, Abuse, and Similar Misconduct

The Subrecipient agrees to promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, contractor, subcontractor, or other person has, in connection with funds under this award (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by:

- o Mail: Office of the Inspector General,
U.S. Department of Justice, Investigations Division,
950 Pennsylvania Avenue, N.W. Room 4706,
Washington, DC 20530;
- o E-mail: oig.hotline@usdoj.gov;
- o DOJ OIG hotline (contact information in English and Spanish): (800) 869-4499; and/or
- o DOJ OIG hotline fax: (202) 616-9881.

Additional information is available from the [DOJ OIG website](http://www.usdoj.gov/oig) at <http://www.usdoj.gov/oig>.

8. Compliance with General Appropriations-Law Restrictions on the Use of Federal Funds

The Subrecipient agrees to comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. [Pertinent restrictions](#), including from various "general provisions" in the Consolidated Appropriations Act, 2016, are set out at <http://ojp.gov/funding/Explore/FY2016-AppropriationsLawRestrictions.htm>, and are incorporated by reference here.

9. Restrictions and Certifications Regarding Non-Disclosure Agreements and Related Matters

The Subrecipient understands and agrees that no Subrecipient under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste,

fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

a. In accepting this award, the Subrecipient:

- Represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and
- Certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

b. If the Subrecipient does or is authorized under this award to make subawards, procurement contracts, or both:

- It represents that (1) it has determined that no other entity that the Subrecipient's application proposes may or will receive award funds (whether through a subaward, procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and (2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and
- It certifies that, if it learns or is notified that any Subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that

entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

10. Encouragement of Policies to Ban Text Messaging while Driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), the Subrecipient understands that DOJ encourages Subrecipients to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

11. Additional DOJ Awarding Agency Requirements

The Subrecipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the Subrecipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.

12. OJP Training Guiding Principles

The Subrecipient understands and agrees that any training or training materials developed or delivered with OJP award funds must adhere to the [OJP Training Guiding Principles](http://ojp.gov/funding/ojptrainingguidingprinciples.htm) for Grantees and Subgrantees, available at <http://ojp.gov/funding/ojptrainingguidingprinciples.htm>.

13. Requirement to report actual or imminent breach of personally identifiable information (PII)

The recipient (and any "subrecipient" at any tier) must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (or a subrecipient)--1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "personally identifiable information (PII)" (2 CFR 200.79) within the scope of an OJP grant-funded program or activity, or 2) uses or operates a "Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

14. Specific Post-Award Approval Required to Use a Non-Competitive Approach in any Procurement Contract that Would Exceed \$150,000

The Subrecipient agrees to comply with all applicable requirements to obtain specific advance approval to use a non-competitive approach in any

procurement contract that would exceed the Simplified Acquisition Threshold (currently, \$150,000). This condition applies to agreements that, for purposes of federal grants administrative requirement, OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a [noncompetitive approach in a procurement](http://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm) contract under an OJP award are posted on the OJP web site at <http://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm> [Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract (if contract would exceed \$150,000)] and are incorporated by reference here.

15. Requirement for Data on Performance and Effectiveness Under the Award

The Subrecipient agrees to collect and maintain data that measure the performance and effectiveness of activities under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act, and other applicable laws.

16. Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The Subrecipient agrees to comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The Subrecipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the Subrecipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

17. VOCA Requirements

The recipient assures that the State and its subrecipients will comply with the conditions of the Victims of Crime Act (VOCA) of 1984, sections 1404(a)(2), and 1404(b)(1) and (2), 34 U.S.C. 20103(a)(2) and (b)(1) and (2) (and the applicable

program guidelines and regulations), as required. Specifically, the State certifies that funds under this award will:

- a. be awarded only to eligible victim assistance organizations, 34 U.S.C. 20103(a)(2);
- b. not be used to supplant State and local public funds that would otherwise be available for crime victim assistance, 34 U.S.C. 20103(a)(2); and
- c. be allocated in accordance with program guidelines or regulations implementing 34 U.S.C. 20103(a)(2)(A) and 34 U.S.C. 20103(a)(2)(B) to, at a minimum, assist victims in the following categories: sexual assault, child abuse, domestic violence, and underserved victims of violent crimes as identified by the State.

18. Demographic Data

The Subrecipient agrees to collect and maintain information on race, sex, national origin, age, and disability of victims receiving assistance, where such information is voluntarily furnished by the victim.

19. Performance Reports

The Subrecipient agrees to submit (and, as necessary, require sub-Subrecipients to submit) quarterly performance reports on the performance metrics identified by OVC, and in the manner required by OVC. This information on the activities supported by the award funding will assist in assessing the effects that VOCA Victim Assistance funds have had on services to crime victims within the jurisdiction.


20. Access to Records

The Subrecipient authorizes the Office for Victims of Crime (OVC) and/or the Office of the Chief Financial Officer (OCFO), and its representatives, access to and the right to examine all records, books, paper or documents related to the VOCA grant.

All appropriate documentation must be maintained on file by the project and available for Cal OES or public scrutiny upon request. Failure to comply with these requirements may result in suspension of payments under the grant or termination of the grant or both and the Subrecipient may be ineligible for subaward of any future grants if the Cal OES determines that any of the following has occurred: (1) the Subrecipient has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

CERTIFICATION

I, the official named below, am the same individual authorized to sign the Grant Subaward [Section 15 on Grant Subaward Face Sheet], and hereby swear that I am duly authorized legally to bind the contractor or grant Subrecipient to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

Authorized Official's Signature: 
Authorized Official's Typed Name: JACKIE LACEY
Authorized Official's Title: DISTRICT ATTORNEY
Date Executed: 12/12/19
Federal Employer ID #: 95-6000927 Federal DUNS #: 781310990
Current System for Award Management (SAM) Expiration Date: MARCH 5, 2020
Executed in the City/County of: LOS ANGELES

AUTHORIZED BY: (not applicable to State agencies)

- | | |
|---|---|
| <input type="checkbox"/> City Financial Officer | <input type="checkbox"/> County Financial Officer |
| <input type="checkbox"/> City Manager | <input type="checkbox"/> County Manager |
| <input checked="" type="checkbox"/> Governing Board Chair | |

Signature: _____
Typed Name: KATHRYN BARGER
Title: CHAIR, COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel



JACKIE LACEY
LOS ANGELES COUNTY DISTRICT ATTORNEY

HALL OF JUSTICE
211 WEST TEMPLE STREET, LOS ANGELES, CA 90012 (213) 974-3500

March 17, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

AUTHORIZE THE DISTRICT ATTORNEY'S OFFICE TO COMPLETE THE APPLICATION PROCESS AND ACCEPT GRANT FUNDS FROM THE CALIFORNIA OFFICE OF EMERGENCY SERVICES (Cal OES) FOR THE ELDER ABUSE (XE) PROGRAM AND APPROVE APPROPRIATION ADJUSTMENT FOR PERFORMANCE PERIOD JANUARY 1, 2020 TO DECEMBER 31, 2020 (CY2020). (ALL DISTRICTS) (4-VOTES)

SUBJECT

This Board Letter requests authority for the District Attorney's (DA) Office to complete the grant application and accept grant funds from the California Office of Emergency Services (Cal OES) for the Elder Abuse (XE) Program in the amount of \$200,000 for performance period January 1, 2020 to December 31, 2020. Funding is made possible through the United States Department of Justice, Victims of Crime Act, Code of Federal Domestic Assistance 16.575. Grant recipients are required to submit necessary assurances and documentation; therefore, we are requesting the Chair to sign the required Certification of Assurance of Compliance form as required by the grantor. In addition, approval of the Appropriation Adjustment in the amount of \$200,000 is requested.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the DA, on behalf of the County of Los Angeles, to complete the grant application process and accept grant funds from Cal OES for the XE Program for performance period of January 1, 2020 to December 31, 2020. The estimated total project cost is \$250,000. After the offset of \$200,000 in grant funds, the DA will absorb \$50,000 (required 20% match).
2. Request the Chair of the Board to sign and affix a wet signature to the attached Certification of Assurance of Compliance Form as required by the grantor.

3. Approve the attached Appropriation Adjustment in the amount of \$200,00 in order to align the DA's budget with the grant award.
4. Delegate authority to the DA, or her designee, to serve as Project Director for the program. This also includes authorization to approve any subsequent amendments, modifications, and/or extensions to the Cal OES grant documents that do not increase the Net County Cost of the program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to continue the DA's commitment to assist victims of crime by alleviating trauma caused to elder and dependent adult victims of physical and financial abuse and neglect.

On October 16, 2019, Cal OES released a Request for Application (RFA) for the XE Program for the performance period January 1, 2020 through December 31, 2020. The DA is in the process of completing the application. In order to comply with the grant requirements, applicants are required to submit a Certification of Assurance of Compliance form which includes details regarding the Equal Employment Opportunity Program (EEOP), Drug Free Workplace Compliance, California Environmental Quality Act, Lobbying, Debarment and Suspension requirements, and Proof of Authority from the City Council/Governing Board. This documentation needs to be submitted before funding can be released by the funding agency.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of the recommended action is consistent with both the Los Angeles County Strategic Plan Goal No. 1, Make Investments that Transform Lives: Aggressively address society's most complicated social, health, and public safety challenges, as well as Goal No. 3, Realize Tomorrow's Government Today: Be an innovative, flexible, effective, and transparent partner focused on public service and advancing the common good.

FISCAL IMPACT/FINANCING

The estimated total project cost for the XE Program in CY2020 is \$250,000. After the offset of \$200,000 in grant funds, the DA will absorb \$50,000 (required 20% match).

Approval of the attached Appropriation Adjustment in the amount of \$200,000 is requested to align to the DA's budget with the grant award.

If funding for this program were to be terminated, an evaluation would be conducted to determine whether the program would either be continued with costs absorbed by the department or discontinued with the reallocation of staff to vacant budgeted positions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board of Supervisors has designated the DA's Office, through its Victim Witness Assistance Program (VWAP), as the major provider of comprehensive services to victims of crime since 1977. Federal funds have been made available to VWAP grantees to provide the intensive services needed by elder and dependent adult victims of physical and financial abuse and neglect.

Bureau of Victim Services (BVS) will identify 2 @ 100% and 1 @ 50% Victim Services Representatives (VSRs) as Elder Abuse Victim Specialists (Victim Specialists). Victim Specialists will work closely with prosecutors, law enforcement, and senior service agencies to ensure that elder abuse crime victims receive appropriate services, know their rights and understand their role within the criminal justice system. They will help navigate victims through the criminal justice system by providing support, assessing a victim's needs, developing a safety plan, identifying gaps in service, and helping victims to connect to resources. Victim Specialists may serve as support persons during victim testimony at preliminary hearings or trials as permitted by Penal Code Section 868.5. They also will educate and inform the public about elder abuse and the trauma that victims experience. Victim Specialists will liaison with key agencies that serve elder victims to ensure victims receive collaborative services to assist them through the criminal justice system, seek recovery of financial losses, and regain their sense of well-being.

Victim Specialists will work closely with the DA's Elder Abuse Section and coordinate with law enforcement agencies, Adult Protective Services, Los Angeles Public Guardian, mental health agencies, social service agencies, financial institutions, medical professionals, local churches, universities, colleges and other community agencies to provide victim services utilized to serve the needs of abused senior citizens. Victim Specialists will also work closely with prosecutors assigned to the DA's Victim Impact Program (VIP), who are located throughout the County and are experienced in elder and dependent adult abuse, to reach seniors in the early stages of abuse by intervening and providing advocacy before the crime escalates to further deterioration of the quality of life.

Victim Specialists will be assigned to the Elder Abuse Section and will provide BVS mandated and optional services to elder and dependent adult crime victims throughout

Los Angeles County. They will be strategically placed at three victim site locations to maximize interventions and service delivery throughout the County. A veteran VSR with extensive experience as an elder abuse advocate will be assigned as the lead Victim Specialist for BVS and will be primarily responsible for working with the Forensic Center. This will expand the capacity of this existing multidisciplinary team. The second Victim Specialist will be placed at the DA's Elder Abuse Section, located at the Hall of Justice, providing services to the Central and Westside County Area. The third Victim Specialist will be placed at the DA's Elder Abuse Section, located at the Long Beach Branch Office, providing services to the East and South County Areas.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This program does not propose attorney staff augmentation. Therefore, the DA's Office is not subject to the Board Motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Probation, Public Defender, and Sheriff's Departments.

CONCLUSION

Following Board approval, the Executive Officer-Clerk of the Board is requested to return two copies of the adopted Board letter and two Cal OES Certification of Assurance of Compliance Forms, with a wet (original) signature, to Kevin Lam, Grants and Contract Section, District Attorney's Office, 211 W. Temple Street, Suite 200, Los Angeles, California 90012. Any questions may be directed to Mr. Kevin Lam at (213) 257-2738 or at klam@da.lacounty.gov

Respectfully submitted,

JACKIE LACEY
District Attorney

kl

Attachments

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel

EXECUTIVE OFFICE – BOARD OF SUPERVISORS

AGENDA ENTRY

DATE OF MEETING:	March 17, 2020
DEPARTMENT NAME:	District Attorney's Office
BOARD LETTERHEAD	DISTRICT ATTORNEY
SUPERVISORIAL DISTRICT AFFECTED	ALL DISTRICTS
VOTES REQUIRED	4 - Votes
CHIEF INFORMATION OFFICER'S RECOMMENDATION	NONE

***** ENTRY MUST BE IN MICROSOFT WORD *****

Instructions: To comply with the Brown Act requirement the reader should fully understand what the department is asking the Board to approve. The recommendation must describe what the action is for; with whom the action is being taken; fiscal impact, including money amounts, funding sources, and effective dates. Also, include an instruction for the Chair (man) or Director to sign when such signature is required on a document.

Recommendation: Authorize the DA, on behalf of the County of Los Angeles, to complete the grant application process and accept grant funds from Cal OES for the XE Program for performance period of January 1, 2020 to December 31, 2020. The estimated total project cost is \$250,000. After the offset of \$200,000 in grant funds, the DA will absorb \$50,000 (required 20% match); Request the Chair of the Board to sign and affix a wet signature to the attached Certification of Assurance of Compliance Form as required by the grantor; Approve the attached Appropriation Adjustment in the amount of \$200,00 in order to align the DA's budget with the grant award; Delegate authority to the DA, or her designee, to serve as Project Director for the program. This also includes authorization to approve any subsequent amendments, modifications, and/or extensions to the Cal OES grant documents that do not increase the Net County Cost of the program.

**Los Angeles County Chief Administrative Office
Grant Management Statement for Grants \$100,000 or More**

Department:	DISTRICT ATTORNEY'S OFFICE
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Grant Project Title and Description	ELDER ABUSE (XE) GRANT
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The Board of Supervisors has designated the District Attorney's Office, through its Victim Witness Assistance Program (VWAP), as the major provider of comprehensive services to victims of crime since 1977. Federal funds have enabled the District Attorney Bureau of Victim Services to expand the multidisciplinary community response to elder and dependent adult abuse.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
State of California Office of Emergency Services (Cal OES)	Penal Code Section 13835 et seq.	N/A

Total Amount of Grant Funding:	\$200,000	County Match:	\$50,000
Grant Period	Begin Date: January 1, 2020	End Date:	December 31, 2020
Number of Personnel Hired Under This Grant	Full Time: 2	Part Time:	1*

*This position is partially funded by the Elder Abuse (XE) Grant at 50%.

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program?	Yes	<u>X</u>	No	_____
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	<u>X</u>	No	_____
Is the County obligated to continue this program after the grant expires?	Yes	_____	No	<u>X</u>
If the County is not obligated to continue this program after the grant expires, the Department will:				
a.) Absorb the program cost without reducing other services	Yes	_____	No	<u>X</u>
b.) Identify other revenue sources (describe below)	Yes	_____	No	<u>X</u>

c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	<u>X</u>	No	_____

Impact of additional personnel on existing space:

None

Other requirements not mentioned above:

None

Department Head Signature



Date

1/16/20

CERTIFICATION OF ASSURANCE OF COMPLIANCE
Victims of Crime Act (VOCA) Fund

I, JACKIE LACEY hereby certify that
(official authorized to sign Subaward; same person as Section 15 on Subaward Face Sheet)

Subrecipient: COUNTY OF LOS ANGELES

Implementing Agency: DISTRICT ATTORNEY'S OFFICE

Project Title: ELDER ABUSE PROGRAM

is responsible for reviewing the *Subrecipient Handbook* and adhering to all of the Subaward requirements (state and/or federal) as directed by Cal OES including, but not limited to, the following areas:

I. Federal Grant Funds

Subrecipients expending \$750,000 or more in federal grant funds annually are required to secure an audit pursuant to OMB Uniform Guidance 2 CFR Part 200, Subpart F and are allowed to utilize federal grant funds to budget for the audit costs. See Section 8000 of the Subrecipient Handbook for more detail.

- ☒ The above named Subrecipient receives \$750,000 or more in federal grant funds annually.
- ☐ The above named Subrecipient does not receive \$750,000 or more in federal grant funds annually.

II. Equal Employment Opportunity – (Subrecipient Handbook Section 2151)

It is the public policy of the State of California to promote equal employment opportunity (EEO) by prohibiting discrimination or harassment in employment because of race, color, religion, religious creed (including religious dress and grooming practices), national origin, ancestry, citizenship, physical or mental disability, medical condition (including cancer and genetic characteristics), genetic information, marital status, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity, gender expression, age, sexual orientation, veteran and/or military status, protected medical leaves (requesting or approved for leave under the Family and Medical Leave Act or the California Family Rights Act), domestic violence victim status, political affiliation, and any other status protected by state or federal law. **Cal OES-funded projects certify that they will comply with all state and federal requirements regarding equal employment opportunity, nondiscrimination and civil rights.**

Please provide the following information:

Equal Employment Opportunity Officer: ALAYNA ELAM

Title: CHIEF OF HUMAN RESOURCES DIVISION

Address: 211 WEST TEMPLE STREET, SUITE 200, LOS ANGELES, CA 90012-2305

Phone: (213) 257-2701

Email: AELAM@DA.LACOUNTY.GOV

III. Drug-Free Workplace Act of 1990 – (Subrecipient Handbook, Section 2152)

The State of California requires that every person or organization subawarded a grant or contract shall certify it will provide a drug-free workplace.

IV. California Environmental Quality Act (CEQA) – (Subrecipient Handbook, Section 2153)

The California Environmental Quality Act (CEQA) (*Public Resources Code, Section 21000 et seq.*) requires all Cal OES funded projects to certify compliance with CEQA. Projects receiving funding must coordinate with their city or county planning agency to ensure that the project is compliance with CEQA requirements.

V. Lobbying – (Subrecipient Handbook Section 2154)

Cal OES grant funds, grant property, or grant funded positions shall not be used for any lobbying activities, including, but not limited to, being 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 the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant or cooperative agreement.

VI. Debarment and Suspension – (Subrecipient Handbook Section 2155)

(This applies to federally funded grants only.)

Cal OES-funded projects must certify that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of federal benefits by a state or federal court, or voluntarily excluded from covered transactions by any federal department of agency.

VII. Proof of Authority from City Council/Governing Board – (Subrecipient Handbook Section 1350)

The above-named organization (Applicant) accepts responsibility for and will comply with the requirement to obtain a signed resolution from the city council/governing board in support of this program. The applicant agrees to provide all matching funds required for said project (including any amendment thereof) under the Program and the funding terms and conditions of Cal OES, and that any cash match will be appropriated as required. It is agreed that any liability arising out of the performance of this Subaward, including civil court actions for damages, shall be the responsibility of the grant Subrecipient and the authorizing agency. The State of California and Cal OES disclaim responsibility of any such liability. Furthermore, it is also agreed that grant funds received from Cal OES shall not be used to supplant expenditures controlled by the city council/governing board.

The applicant is required to obtain written authorization from the city council/governing board that the official executing this agreement is, in fact, authorized to do so. The applicant is also required to maintain said written authorization on file and readily available upon demand.

VIII. Civil Rights Compliance

The Subrecipient complies with all laws that prohibit excluding, denying or discriminating against any person based on actual or perceived race, color, national origin, disability, religion, age, sex, gender identity, and sexual orientation in both the delivery of services and employment practices and does not use federal financial assistance to engage in explicitly religious activities.

IX. Special Condition for Grant Subaward with Victims of Crime Act (VOCA) Funds

1. Applicability of Part 200 Uniform Requirements

The Subrecipient agrees to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by the Department of Justice (DOJ) in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements").

2. Compliance with DOJ Grants Financial Guide

The Subrecipient agrees to comply with the Department of Justice Grants Financial Guide as posted on the OJP website (currently, the "2015 DOJ Grants Financial Guide"), including any updated version that may be posted during the period of performance.

3. Requirements Pertaining to Prohibited Conduct Related to Trafficking in Persons (including reporting requirements and OJP authority to terminate award)

The Subrecipient agrees to comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of Subrecipient or individuals defined (for purposes of this condition) as "employees" of the Subrecipient.

The details of the Subrecipient's obligations regarding [prohibited conduct related to trafficking](http://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm) in persons are posted on the OJP website at: <http://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm> (Award condition: Prohibited conduct by Subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

4. Civil Rights and Nondiscrimination

The Subrecipient understands that the federal statutes and regulations pertaining to civil rights and nondiscrimination and, in addition:

- a. the Subrecipient understands that the applicable statutes pertaining to civil rights will include section 601 of the Civil Rights Act of 1964 (42 U.S.C. § 2000d); section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794); section 901 of the Education Amendments of 1972 (20 U.S.C. § 1681); and section 303 of the Age Discrimination Act of 1975 (42 U.S.C. § 6102);
- b. the Subrecipient understands that the applicable statutes pertaining to nondiscrimination may include section 809(c) of Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (34 U.S.C. § 10228(c)); section 1407(e) of the Victims of Crime Act of 1984 (34 U.S.C. § 20110 (e)) ; section 299A(b) of the Juvenile Justice and Delinquency Prevention Act of 2002 (34 U.S.C. § 11182(b)); and the grant condition set out at section 40002(b)(13) of the Violence Against Women Act (34 U.S.C. § 12291(b)(13), which will apply to all awards made by the Office of Violence Against Women, also may apply to an award made otherwise; and
- c. the Subrecipient understands they must comply with the specific assurances set out in 29 C.F.R. §§ 42.105 and 42.204.

5. Compliance with Applicable Rules Regarding Approval, Planning, and Reporting of Conferences, Meetings, Trainings, and Other Events

The Subrecipient agrees to comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "2015 DOJ Grants Financial Guide").

6. Effect of Failure to Address Audit Issues

The Subrecipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the Subrecipient does not satisfactorily and promptly address outstanding issues

from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

7. Reporting Potential Fraud, Waste, Abuse, and Similar Misconduct

The Subrecipient agrees to promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, contractor, subcontractor, or other person has, in connection with funds under this award (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by:

- Mail: Office of the Inspector General,
U.S. Department of Justice, Investigations Division,
950 Pennsylvania Avenue, N.W. Room 4706,
Washington, DC 20530;
- E-mail: oig.hotline@usdoj.gov;
- DOJ OIG hotline (contact information in English and Spanish): (800) 869-4499; and/or
- DOJ OIG hotline fax: (202) 616-9881.

Additional information is available from the [DOJ OIG website](http://www.usdoj.gov/oig) at <http://www.usdoj.gov/oig>.

8. Compliance with General Appropriations-Law Restrictions on the Use of Federal Funds

The Subrecipient agrees to comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. [Pertinent restrictions](#), including from various "general provisions" in the Consolidated Appropriations Act, 2016, are set out at <http://ojp.gov/funding/Explore/FY2016-AppropriationsLawRestrictions.htm>, and are incorporated by reference here.

9. Restrictions and Certifications Regarding Non-Disclosure Agreements and Related Matters

The Subrecipient understands and agrees that no Subrecipient under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste,

fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

a. In accepting this award, the Subrecipient:

- Represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and
- Certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

b. If the Subrecipient does or is authorized under this award to make subawards, procurement contracts, or both:

- It represents that (1) it has determined that no other entity that the Subrecipient's application proposes may or will receive award funds (whether through a subaward, procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and (2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and
- It certifies that, if it learns or is notified that any Subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that

entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

10. Encouragement of Policies to Ban Text Messaging while Driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), the Subrecipient understands that DOJ encourages Subrecipients to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

11. Additional DOJ Awarding Agency Requirements

The Subrecipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the Subrecipient is designated as "high- risk" for purposes of the DOJ high-risk grantee list.

12. OJP Training Guiding Principles

The Subrecipient understands and agrees that any training or training materials developed or delivered with OJP award funds must adhere to the [OJP Training Guiding Principles](http://ojp.gov/funding/ojptrainingguidingprinciples.htm) for Grantees and Subgrantees, available at <http://ojp.gov/funding/ojptrainingguidingprinciples.htm>.

13. Requirement to report actual or imminent breach of personally identifiable information (PII)

The recipient (and any "subrecipient" at any tier) must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (or a subrecipient)--1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "personally identifiable information (PII)" (2 CFR 200.79) within the scope of an OJP grant-funded program or activity, or 2) uses or operates a "Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

14. Specific Post-Award Approval Required to Use a Non-Competitive Approach in any Procurement Contract that Would Exceed \$150,000

The Subrecipient agrees to comply with all applicable requirements to obtain specific advance approval to use a non-competitive approach in any

procurement contract that would exceed the Simplified Acquisition Threshold (currently, \$150,000). This condition applies to agreements that, for purposes of federal grants administrative requirement, OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a [noncompetitive approach in a procurement](http://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm) contract under an OJP award are posted on the OJP web site at <http://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm> [Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract (if contract would exceed \$150,000)] and are incorporated by reference here.

15. Requirement for Data on Performance and Effectiveness Under the Award

The Subrecipient agrees to collect and maintain data that measure the performance and effectiveness of activities under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act, and other applicable laws.

16. Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The Subrecipient agrees to comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The Subrecipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the Subrecipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

17. VOCA Requirements

The recipient assures that the State and its subrecipients will comply with the conditions of the Victims of Crime Act (VOCA) of 1984, sections 1404(a)(2), and 1404(b)(1) and (2), 34 U.S.C. 20103(a)(2) and (b)(1) and (2) (and the applicable

program guidelines and regulations), as required. Specifically, the State certifies that funds under this award will:

- a. be awarded only to eligible victim assistance organizations, 34 U.S.C. 20103(a)(2);
- b. not be used to supplant State and local public funds that would otherwise be available for crime victim assistance, 34 U.S.C. 20103(a)(2); and
- c. be allocated in accordance with program guidelines or regulations implementing 34 U.S.C. 20103(a)(2)(A) and 34 U.S.C. 20103(a)(2)(B) to, at a minimum, assist victims in the following categories: sexual assault, child abuse, domestic violence, and underserved victims of violent crimes as identified by the State.

18. Demographic Data

The Subrecipient agrees to collect and maintain information on race, sex, national origin, age, and disability of victims receiving assistance, where such information is voluntarily furnished by the victim.

19. Performance Reports

The Subrecipient agrees to submit (and, as necessary, require sub-Subrecipients to submit) quarterly performance reports on the performance metrics identified by OVC, and in the manner required by OVC. This information on the activities supported by the award funding will assist in assessing the effects that VOCA Victim Assistance funds have had on services to crime victims within the jurisdiction.

20. Access to Records

The Subrecipient authorizes the Office for Victims of Crime (OVC) and/or the Office of the Chief Financial Officer (OCFO), and its representatives, access to and the right to examine all records, books, paper or documents related to the VOCA grant.

All appropriate documentation must be maintained on file by the project and available for Cal OES or public scrutiny upon request. Failure to comply with these requirements may result in suspension of payments under the grant or termination of the grant or both and the Subrecipient may be ineligible for subaward of any future grants if the Cal OES determines that any of the following has occurred: (1) the Subrecipient has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

CERTIFICATION

I, the official named below, am the same individual authorized to sign the Grant Subaward [Section 15 on Grant Subaward Face Sheet], and hereby swear that I am duly authorized legally to bind the contractor or grant Subrecipient to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

Authorized Official's Signature: _____

Authorized Official's Typed Name: JACKIE LACEY

Authorized Official's Title: DISTRICT ATTORNEY

Date Executed: _____

7/2/12/19

Federal Employer ID #: 95-6000927

Federal DUNS #: 781310990

Current System for Award Management (SAM) Expiration Date: MARCH 5, 2020

Executed in the City/County of: LOS ANGELES

AUTHORIZED BY: (not applicable to State agencies)

☐ City Financial Officer

☐ County Financial Officer

☐ City Manager

☐ County Manager

☒ Governing Board Chair

Signature: _____

Typed Name: KATHRYN BARGER

Title: CHAIR, COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

APPROVED AS TO FORM:

MARY C. WICKHAM

County Counsel



Deputy

February 07, 2020

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DISTRICT ATTORNEY'S OFFICE

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE**FY 2019-20****4 - VOTES****SOURCES****USES****DISTRICT ATTORNEY**

A01-DA-90-9077-14030

FEDERAL - VICTIM OF CRIME ACT (VOCA)

INCREASE REVENUE**200,000****DISTRICT ATTORNEY**

A01-DA-1000-14030

SALARIES & EMPLOYEE BENEFITS

INCREASE APPROPRIATION**200,000****SOURCES TOTAL****\$ 200,000****USES TOTAL****\$ 200,000****JUSTIFICATION**

The appropriation adjustment reflects funds from the California Governor's Office of Emergency Services for federal funding through Victims of Crime Act (VOCA) for the Elder Abuse Program (XE Grant). The grant funds will be used to assist victims of crime by alleviating trauma caused to elder and dependent adult victims of physical and financial abuse and neglect in Los Angeles County.

AUTHORIZED SIGNATURE

Michael Au-Yeung, Chief Budget & Fiscal

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---☐ ACTION☒ RECOMMENDATION

AUDITOR-CONTROLLER

B.A. NO. 231BY LaplanDATE Feb. 12, 2020☒ APPROVED AS REQUESTED☐ APPROVED AS REVISEDCHIEF EXECUTIVE OFFICER [Signature]BY [Signature]DATE 2/14/2020



JACKIE LACEY
LOS ANGELES COUNTY DISTRICT ATTORNEY

HALL OF JUSTICE
211 WEST TEMPLE STREET, LOS ANGELES, CA 90012 (213) 974-3500

March 17, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

AUTHORIZE THE DISTRICT ATTORNEY TO COMPLETE AND ACCEPT GRANT FUNDING FROM THE CALIFORNIA STATE DEPARTMENT OF INSURANCE FOR THE HIGH IMPACT INSURANCE FRAUD PROGRAM AND APPROVE APPROPRIATION ADJUSTMENT FOR FISCAL YEAR (FY) 2019-20 (ALL DISTRICTS) (4-VOTES)

SUBJECT

This Board Letter requests authority for the District Attorney's Office to complete and accept grant funding from the California Department of Insurance (CDI) for the High Impact Insurance Fraud Program (HIIFP) for Fiscal Year 2019-20. Therefore, we are requesting the Chair to sign the required Resolution as required by the grantor. In addition, approval of the Appropriation Adjustment is requested.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the District Attorney (DA), on behalf of the County of Los Angeles, to complete and accept grant funding from CDI for the HIIFP in the amount of \$100,000, which partially offsets the program cost for the period of July 1, 2019 through June 30, 2020.
2. Adopt the attached Resolution authorizing the DA to complete and accept grant funding and, as an agent for the County, to accept and execute a grant award agreement from CDI. This also includes authorization to approve any extensions or amendments to the grant award that do not affect net County cost.
3. Approve the attached Appropriation Adjustment in the amount of \$100,000 in order to align the District Attorney's budget with the grant award.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to continue the DA's commitment to investigate and prosecute organized automobile insurance fraud rings that perpetrate fraudulent schemes with suspected losses of over \$1,000,000.

The CDI has invited the DA's Office to participate in the application process for the High Impact Insurance Fraud Program grant to enhance the prosecution of Automobile and/or Organized Automobile Insurance Fraud cases. The District Attorney's Office will use available funding to target the prosecution of Yury Chernega, et al., Case No. BA477147, and related spin-off cases involving automobile insurance fraud by a ring of corrupt chiropractors that so far exceeds \$6,000,000 in losses.

An executed Resolution is required by CDI as part of the grant application.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of the recommended action is consistent with both the Los Angeles County Strategic Plan Goal No. 1, Make Investments that Transform Lives: Aggressively address society's most complicated social, health, and public safety challenges, as well as Goal No. 3, Realize Tomorrow's Government Today: Be an innovative, flexible, effective, and transparent partner focused on public service and advancing the common good.

FISCAL IMPACT/FINANCING

CDI has awarded the DA's Office grant funding in the amount of \$100,000 for the HIIFP, which partially offsets the program cost for the period of July 1, 2019 through June 30, 2020.

Approval of the attached Appropriation Adjustment in the amount of \$100,000 is requested to align to the DA's budget with the grant award. This amount represents the FY 2019-20 grant award, which was not included in the District Attorney's FY 2019-20 Adopted Budget due to this program being a newly awarded grant for the DA's Office.

If funding for this program were to be terminated, an evaluation would be conducted to determine whether the program would either be continued with costs absorbed by the department or discontinued with the reallocation of staff to vacant budgeted positions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

CDI has successfully litigated anti-fraud cases resulting in settlement payments which pursuant to the provisions of Insurance Code Sections 1871 et seq., 1872 et seq., and 1874 et seq., upon appropriation shall be used by CDI for enhanced investigation and prevention efforts. CDI has received an appropriation of \$1,500,000 for Fiscal Year 2019-2020.

Under the direction of the Insurance Commissioner, the CDI administers the High Impact Insurance Fraud Program and the distribution of funds to district attorneys for the enhanced investigation and prosecution of insurance fraud.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

CDI has awarded the DA's Office grant funding and will not propose any attorney staff augmentation. Therefore, the DA's Office is not subject to the Board Motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Probation, Public Defender, and Sheriff's Departments.

CONCLUSION

Following Board approval, the Executive Officer-Clerk of the Board is requested to return two copies of the adopted Board letter and two Resolutions, with wet signatures, to Mrs. Melanie Rubio, Grants and Contracts Section, District Attorney's Office, 211 West Temple Street, Suite 200, Los Angeles, California 90012. Any questions may be directed to Mrs. Melanie Rubio at (213) 257-2803.

Respectfully submitted,

JACKIE LACEY
District Attorney

mr

Attachments

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel

EXECUTIVE OFFICE – BOARD OF SUPERVISORS

AGENDA ENTRY

DATE OF MEETING:	March 17, 2020
DEPARTMENT NAME:	DISTRICT ATTORNEY'S OFFICE
BOARD LETTERHEAD	DISTRICT ATTORNEY
SUPERVISORIAL DISTRICT AFFECTED	ALL DISTRICTS
VOTES REQUIRED	4 VOTES
CHIEF INFORMATION OFFICER'S RECOMMENDATION	NONE

******* ENTRY MUST BE IN MICROSOFT WORD *******

Instructions:

To comply with the Brown Act requirement the reader should fully understand what the department is asking the Board to approve. The recommendation must describe what the action is for; with whom the action is being taken; fiscal impact, including money amounts, funding sources, and effective dates. Also, include an instruction for the Chair(man) or Director to sign when such signature is required on a document.

Recommendation: Authorize the District Attorney (DA), on behalf of the County of Los Angeles, to complete and accept grant funding from the California Department of Insurance (CDI) for the HIIFP in the amount of \$100,000, which partially offsets the program cost for the period of July 1, 2019 through June 30, 2020. Adopt the attached Resolution authorizing the DA to complete and accept grant funding and, as an agent for the County, to accept and execute a grant award agreement from CDI. This also includes authorization to approve any extensions or amendments to the grant award that do not affect net County cost. Approve the attached Appropriation Adjustment in the amount of \$100,000 in order to align the DA's budget with the grant award.

**Los Angeles County Chief Administrative Office
Grant Management Statement for Grants \$100,000 or More**

Department:	DISTRICT ATTORNEY'S OFFICE
--------------------	----------------------------

Grant Project Title and Description	HIGH IMPACT INSURANCE FRAUD PROGRAM
--	-------------------------------------

The objective of this program is to enhance the criminal investigation and prosecution of Automobile and/or Organized Automobile Insurance Fraud cases with suspected losses of over \$1,000,000. These grant funds will allow the District Attorney's Office to target the prosecution of Yury Chernega, et al., involving a ring of corrupt chiropractors whose fraudulent scheme has so far resulted in over \$6,000,000 in losses.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
CALIFORNIA DEPARTMENT OF INSURANCE	CALIFORNIA INSURANCE CODE SECTION 10127.17	N/A

Total Amount of Grant Funding:	\$100,000	County Match:	\$0
Grant Period	Begin Date: July 1, 2019	End Date:	June 30, 2020
Number of Personnel Hired Under This Grant	Full Time: 1	Part Time:	0

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program?	Yes	<u>X</u>	No	_____
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	<u>X</u>	No	_____
Is the County obligated to continue this program after the grant expires?	Yes	_____	No	<u>X</u>
If the County is not obligated to continue this program after the grant expires, the Department will:				
a.) Absorb the program cost without reducing other services	Yes	_____	No	<u>X</u>
b.) Identify other revenue sources (describe below)	Yes	_____	No	<u>X</u>

c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	<u>X</u>	No	_____

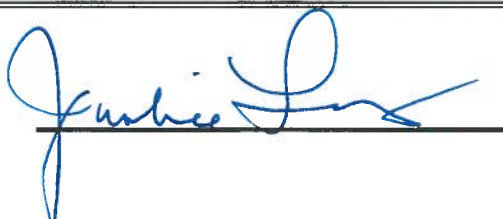
Impact of additional personnel on existing space:

None

Other requirements not mentioned above:

None

Department Head Signature



Date

2/5/20

1 **BOARD OF SUPERVISORS**
2 **COUNTY OF LOS ANGELES**

3 **RESOLUTION**

4 Authorization to Accept a Grant Award from the
5 State of California, Department of Insurance
6 Pursuant to California Insurance Code
7 Chapter 12, commencing with §1871, et seq.

8 **WHEREAS**, the provisions of §1872.8 of the California Insurance
9 Code authorize the State of California, Department of Insurance to award and
10 distribute certain funds to District Attorneys submitting plans approved by the
11 Fraud Division for the increased investigation and prosecution of fraudulent
12 automobile insurance claims, and the District Attorney is charged with providing
13 prosecution of all felony offenses committed within this County; and

14 **WHEREAS**, the County of Los Angeles, acting through its Board of
15 Supervisors, desires to undertake a certain program designated the "High Impact
16 Insurance Fraud Program" by the District Attorney, to be funded through funds made
17 available by the Insurance Fraud Prevention Act as provided for pursuant to California
18 Insurance Code §1872.8, administered by the State of California, Department of
19 Insurance; and

20 **WHEREAS**, the State of California, Department of Insurance approved
21 the fraud reduction plan submitted by the District Attorney's Office for FY 2019-2020
22 for the High Impact Insurance Fraud Program for this specific task.

23 **NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of
24 the County of Los Angeles is authorized, on its behalf, to submit the attached proposal
25 to the California Department of Insurance and is authorized to execute on behalf of the
26 Board of Supervisors the attached Grant Award Agreement including any extensions
 or amendments thereof and approves acceptance of grant funds from the State of

1 California, Department of Insurance, to be used exclusively for the program
2 designated the "High Impact Insurance Fraud Program" for the period covering July 1,
3 2019 to June 30, 2020;

4 **IT IS AGREED** that any liability arising out of the performance of the
5 Grant Award Agreement, including civil court actions for damages, shall be the
6 responsibility of the grant recipient and the authorizing agency. The State of California
7 and the California Department of Insurance disclaim responsibility for any such liability.

8 **BE IT FURTHER RESOLVED** that the grant funds received
9 hereunder shall not be used to supplant expenditures controlled by this body.

10 **I DO HEREBY CERTIFY** that at a regular meeting of the Board of
11 Supervisors of the County of Los Angeles, on this _____ day of
12 _____, 2020, the foregoing Resolution was adopted.


13 **IN WITNESS WHEREOF**, I have hereunto set my hand and
14 affixed the seal of the Board of Supervisors of the County of Los Angeles
15 this _____ day of _____, 2020.

16
17 County of Los Angeles

18
19 By _____
20 Chair, Board of Supervisors

21 APPROVED AS TO FORM
22 BY COUNTY COUNSEL:

23 MARY C. WICKHAM

24
25 By  _____
26 Nancy M. Takade
Principal Deputy County Counsel

February 11, 2019

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DISTRICT ATTORNEY'S OFFICE

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE**FY 2019-20****4 - VOTES****SOURCES****USES**

DISTRICT ATTORNEY
A01-DA-88-8810-14030
STATE-SPECIAL GRANTS
INCREASE REVENUE

100,000

DISTRICT ATTORNEY
A01-DA-1000-14030
SALARIES & EMPLOYEE BENEFITS
INCREASE APPROPRIATION

100,000**SOURCES TOTAL \$ 100,000****USES TOTAL \$ 100,000****JUSTIFICATION**

The appropriation adjustment reflects a State grant award from the California Department of Insurance (CDI) for the High Impact Insurance Fraud Program. The new grant will help continue the DA's commitment to investigate and prosecute organized automobile insurance fraud rings that perpetrate fraudulent schemes with suspected losses of over \$1,000,000. The appropriation adjustment is necessary in order to align the District Attorney's budget in the amount of \$100,000.

AUTHORIZED SIGNATURE

Michael Au-Yeung, Chief Budget & Fiscal

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---☐ ACTION☒ RECOMMENDATION

AUDITOR-CONTROLLER

BY

DATE

B.A. NO. 232

Barbara
Feb. 12, 2020

☒ APPROVED AS REQUESTED☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

DATE

Michael Au-Yeung
2/14/2020



JACKIE LACEY
LOS ANGELES COUNTY DISTRICT ATTORNEY

HALL OF JUSTICE
211 WEST TEMPLE STREET, LOS ANGELES, CA 90012 (213) 974-3500

March 17, 2020

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

AUTHORIZE THE DISTRICT ATTORNEY TO COMPLETE AND ACCEPT GRANT FUNDING FROM THE CALIFORNIA STATE DEPARTMENT OF INSURANCE FOR THE HIGH IMPACT INSURANCE FRAUD PROGRAM AND APPROVE APPROPRIATION ADJUSTMENT FOR FISCAL YEAR (FY) 2019-20 (ALL DISTRICTS) (4-VOTES)

SUBJECT

This Board Letter requests authority for the District Attorney's Office to complete and accept grant funding from the California Department of Insurance (CDI) for the High Impact Insurance Fraud Program (HIIFP) for Fiscal Year 2019-20. Therefore, we are requesting the Chair to sign the required Resolution as required by the grantor. In addition, approval of the Appropriation Adjustment is requested.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the District Attorney (DA), on behalf of the County of Los Angeles, to complete and accept grant funding from CDI for the HIIFP in the amount of \$100,000, which partially offsets the program cost for the period of July 1, 2019 through June 30, 2020.
2. Adopt the attached Resolution authorizing the DA to complete and accept grant funding and, as an agent for the County, to accept and execute a grant award agreement from CDI. This also includes authorization to approve any extensions or amendments to the grant award that do not affect net County cost.
3. Approve the attached Appropriation Adjustment in the amount of \$100,000 in order to align the District Attorney's budget with the grant award.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to continue the DA's commitment to investigate and prosecute organized automobile insurance fraud rings that perpetrate fraudulent schemes with suspected losses of over \$1,000,000.

The CDI has invited the DA's Office to participate in the application process for the High Impact Insurance Fraud Program grant to enhance the prosecution of Automobile and/or Organized Automobile Insurance Fraud cases. The District Attorney's Office will use available funding to target the prosecution of Yury Chernega, et al., Case No. BA477147, and related spin-off cases involving automobile insurance fraud by a ring of corrupt chiropractors that so far exceeds \$6,000,000 in losses.

An executed Resolution is required by CDI as part of the grant application.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of the recommended action is consistent with both the Los Angeles County Strategic Plan Goal No. 1, Make Investments that Transform Lives: Aggressively address society's most complicated social, health, and public safety challenges, as well as Goal No. 3, Realize Tomorrow's Government Today: Be an innovative, flexible, effective, and transparent partner focused on public service and advancing the common good.

FISCAL IMPACT/FINANCING

CDI has awarded the DA's Office grant funding in the amount of \$100,000 for the HIIFP, which partially offsets the program cost for the period of July 1, 2019 through June 30, 2020.

Approval of the attached Appropriation Adjustment in the amount of \$100,000 is requested to align to the DA's budget with the grant award. This amount represents the FY 2019-20 grant award, which was not included in the District Attorney's FY 2019-20 Adopted Budget due to this program being a newly awarded grant for the DA's Office.

If funding for this program were to be terminated, an evaluation would be conducted to determine whether the program would either be continued with costs absorbed by the department or discontinued with the reallocation of staff to vacant budgeted positions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

CDI has successfully litigated anti-fraud cases resulting in settlement payments which pursuant to the provisions of Insurance Code Sections 1871 et seq., 1872 et seq., and 1874 et seq., upon appropriation shall be used by CDI for enhanced investigation and prevention efforts. CDI has received an appropriation of \$1,500,000 for Fiscal Year 2019-2020.

Under the direction of the Insurance Commissioner, the CDI administers the High Impact Insurance Fraud Program and the distribution of funds to district attorneys for the enhanced investigation and prosecution of insurance fraud.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

CDI has awarded the DA's Office grant funding and will not propose any attorney staff augmentation. Therefore, the DA's Office is not subject to the Board Motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Probation, Public Defender, and Sheriff's Departments.

CONCLUSION

Following Board approval, the Executive Officer-Clerk of the Board is requested to return two copies of the adopted Board letter and two Resolutions, with wet signatures, to Mrs. Melanie Rubio, Grants and Contracts Section, District Attorney's Office, 211 West Temple Street, Suite 200, Los Angeles, California 90012. Any questions may be directed to Mrs. Melanie Rubio at (213) 257-2803.

Respectfully submitted,

JACKIE LACEY
District Attorney

mr

Attachments

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel

EXECUTIVE OFFICE – BOARD OF SUPERVISORS

AGENDA ENTRY

DATE OF MEETING:	March 17, 2020
DEPARTMENT NAME:	DISTRICT ATTORNEY'S OFFICE
BOARD LETTERHEAD	DISTRICT ATTORNEY
SUPERVISORIAL DISTRICT AFFECTED	ALL DISTRICTS
VOTES REQUIRED	4 VOTES
CHIEF INFORMATION OFFICER'S RECOMMENDATION	NONE

******* ENTRY MUST BE IN MICROSOFT WORD *******

Instructions:

To comply with the Brown Act requirement the reader should fully understand what the department is asking the Board to approve. The recommendation must describe what the action is for; with whom the action is being taken; fiscal impact, including money amounts, funding sources, and effective dates. Also, include an instruction for the Chair(man) or Director to sign when such signature is required on a document.

Recommendation: Authorize the District Attorney (DA), on behalf of the County of Los Angeles, to complete and accept grant funding from the California Department of Insurance (CDI) for the HIIFP in the amount of \$100,000, which partially offsets the program cost for the period of July 1, 2019 through June 30, 2020. Adopt the attached Resolution authorizing the DA to complete and accept grant funding and, as an agent for the County, to accept and execute a grant award agreement from CDI. This also includes authorization to approve any extensions or amendments to the grant award that do not affect net County cost. Approve the attached Appropriation Adjustment in the amount of \$100,000 in order to align the DA's budget with the grant award.

**Los Angeles County Chief Administrative Office
Grant Management Statement for Grants \$100,000 or More**

Department:	DISTRICT ATTORNEY'S OFFICE
--------------------	----------------------------

Grant Project Title and Description	HIGH IMPACT INSURANCE FRAUD PROGRAM
--	-------------------------------------

The objective of this program is to enhance the criminal investigation and prosecution of Automobile and/or Organized Automobile Insurance Fraud cases with suspected losses of over \$1,000,000. These grant funds will allow the District Attorney's Office to target the prosecution of Yury Chernega, et al., involving a ring of corrupt chiropractors whose fraudulent scheme has so far resulted in over \$6,000,000 in losses.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
CALIFORNIA DEPARTMENT OF INSURANCE	CALIFORNIA INSURANCE CODE SECTION 10127.17	N/A

Total Amount of Grant Funding:	\$100,000	County Match:	\$0
Grant Period	Begin Date: July 1, 2019	End Date:	June 30, 2020
Number of Personnel Hired Under This Grant	Full Time: 1	Part Time:	0

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program?	Yes	<u>X</u>	No	_____
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	<u>X</u>	No	_____
Is the County obligated to continue this program after the grant expires?	Yes	_____	No	<u>X</u>
If the County is not obligated to continue this program after the grant expires, the Department will:				
a.) Absorb the program cost without reducing other services	Yes	_____	No	<u>X</u>
b.) Identify other revenue sources (describe below)	Yes	_____	No	<u>X</u>

c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	<u>X</u>	No	_____

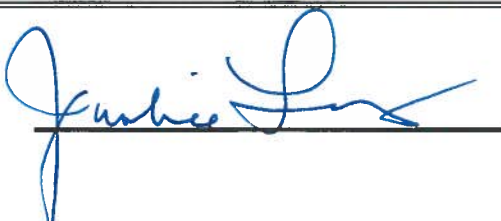
Impact of additional personnel on existing space:

None

Other requirements not mentioned above:

None

Department Head Signature



Date

2/5/20

1 **BOARD OF SUPERVISORS**
2 **COUNTY OF LOS ANGELES**

3 **RESOLUTION**

4 Authorization to Accept a Grant Award from the
5 State of California, Department of Insurance
6 Pursuant to California Insurance Code
7 Chapter 12, commencing with §1871, et seq.

8 **WHEREAS**, the provisions of §1872.8 of the California Insurance
9 Code authorize the State of California, Department of Insurance to award and
10 distribute certain funds to District Attorneys submitting plans approved by the
11 Fraud Division for the increased investigation and prosecution of fraudulent
12 automobile insurance claims, and the District Attorney is charged with providing
13 prosecution of all felony offenses committed within this County; and

14 **WHEREAS**, the County of Los Angeles, acting through its Board of
15 Supervisors, desires to undertake a certain program designated the "High Impact
16 Insurance Fraud Program" by the District Attorney, to be funded through funds made
17 available by the Insurance Fraud Prevention Act as provided for pursuant to California
18 Insurance Code §1872.8, administered by the State of California, Department of
19 Insurance; and

20 **WHEREAS**, the State of California, Department of Insurance approved
21 the fraud reduction plan submitted by the District Attorney's Office for FY 2019-2020
22 for the High Impact Insurance Fraud Program for this specific task.

23 **NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of
24 the County of Los Angeles is authorized, on its behalf, to submit the attached proposal
25 to the California Department of Insurance and is authorized to execute on behalf of the
26 Board of Supervisors the attached Grant Award Agreement including any extensions
 or amendments thereof and approves acceptance of grant funds from the State of

1 California, Department of Insurance, to be used exclusively for the program
2 designated the "High Impact Insurance Fraud Program" for the period covering July 1,
3 2019 to June 30, 2020;

4 **IT IS AGREED** that any liability arising out of the performance of the
5 Grant Award Agreement, including civil court actions for damages, shall be the
6 responsibility of the grant recipient and the authorizing agency. The State of California
7 and the California Department of Insurance disclaim responsibility for any such liability.

8 **BE IT FURTHER RESOLVED** that the grant funds received
9 hereunder shall not be used to supplant expenditures controlled by this body.

10 **I DO HEREBY CERTIFY** that at a regular meeting of the Board of
11 Supervisors of the County of Los Angeles, on this _____ day of
12 _____, 2020, the foregoing Resolution was adopted.

13 **IN WITNESS WHEREOF**, I have hereunto set my hand and
14 affixed the seal of the Board of Supervisors of the County of Los Angeles
15 this _____ day of _____, 2020.

16
17 County of Los Angeles

18
19 By _____
20 Chair, Board of Supervisors

21 APPROVED AS TO FORM
22 BY COUNTY COUNSEL:

23 MARY C. WICKHAM

24
25 By _____

26 Nancy M. Takade
Principal Deputy County Counsel

February 11, 2019

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DISTRICT ATTORNEY'S OFFICE

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE**FY 2019-20****4 - VOTES****SOURCES****USES**

DISTRICT ATTORNEY
A01-DA-88-8810-14030
STATE-SPECIAL GRANTS
INCREASE REVENUE

100,000

DISTRICT ATTORNEY
A01-DA-1000-14030
SALARIES & EMPLOYEE BENEFITS
INCREASE APPROPRIATION

100,000**SOURCES TOTAL \$ 100,000****USES TOTAL \$ 100,000****JUSTIFICATION**

The appropriation adjustment reflects a State grant award from the California Department of Insurance (CDI) for the High Impact Insurance Fraud Program. The new grant will help continue the DA's commitment to investigate and prosecute organized automobile insurance fraud rings that perpetrate fraudulent schemes with suspected losses of over \$1,000,000. The appropriation adjustment is necessary in order to align the District Attorney's budget in the amount of \$100,000.

AUTHORIZED SIGNATURE

Michael Au-Yeung, Chief Budget & Fiscal

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---☐ ACTION☒ RECOMMENDATION

AUDITOR-CONTROLLER

BY

DATE

B.A. NO. 232

Barbara
Feb. 12, 2020

☒ APPROVED AS REQUESTED☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

DATE

Michael Au-Yeung
2/14/2020