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COPY

DEEP EAST TEXAS COUNCIL OF GOVERNMENTS
CONTRACT FOR
OLDER AMERICANS ACT PROGRAM

STATE OF TEXAS
COUNTY OF JASPER

I. AUTHORITY TO CONTRACT

The authority on which this contract is based derives from the Older Americans Act (OAA), as amended, and its regulations; HHS regulations on Administration of Grants; Title 45 CFR, Part 74; Title 45 CFR, Part 92; Title 45 CFR, Part 1321, et seq.; Title 45 CFR, Part 91; the Uniform Grant Management Standards (UGMS), Governor's Office of Budget and Planning, January 2001; and all applicable Texas Department of Aging and Disabilities Services (DADS) and Area Agencies on Aging (AAA) Rules as published in the Texas Administrative Code (TAC) under Chapters 80, 81, 83 and 84 (Title 40 Part I, Texas Administrative Code); and, all state and local laws as pertains to this contract and its attachments.

II. CONTRACTING PARTIES

This contract is between the **Deep East Texas Council of Governments**, hereinafter referred to as AGENCY, and **Polk County Government**, hereinafter referred to as CONTRACTOR. Whereas the State of Texas, acting through the Texas Department of Aging and Disability Services (DADS), has designated the Deep East Texas Council of Governments to act as the area agency on aging (AAA), to be known as the Deep East Texas Area Agency on Aging; and whereas the DETAAA is the designated authority by Texas Department of Aging and Disability Services to administer OAA funds, the AGENCY and the CONTRACTOR hereto have severally and collectively agreed and by execution hereof are bound to the mutual obligations set forth herein and to performance and accomplishment of the tasks hereinafter described.

III. CONTRACT PERIOD

This agreement will become binding on the date of the signature by both parties. Notwithstanding this date, the term of the contract will begin on October 1, 2007, and end on September 30, 2008.

IV. CONTRACT EXTENSIONS

The parties to this contract may, by mutual agreement, extend this contract for a specified period. Any extension shall be in writing, with specific reference to this contract, and shall be subject to all of the terms and conditions of this contract and made a part thereof for all purposes.

V. AMENDMENTS TO THE CONTRACT

This agreement may be amended in writing upon mutual agreement by both parties or when dictated by implementation of laws and rules becoming effective within the contract period as pertains to the scope of this contract and its attachments. Amendment to this contract is also made upon submission to and approval by the AGENCY of an amended budget.

VI. SCOPE OF SERVICES

The CONTRACTOR agrees to provide the services and activities set out in CONTRACTOR'S approved Budget and Service Delivery/Operational Plan, incorporated by reference into this Agreement as set forth fully herein. (see ATTACHMENT C – SCOPE OF SERVICES)

Allocation of funds to specific service areas will be identified and approved by the AGENCY. The last approved budget, whether original or amended, shall be deemed applicable to this contract from the date of approval. Upon approval of any subsequent budget, a copy shall be attached hereto and made a part hereof for all purposes.

VII. TARGETING

The CONTRACTOR shall, in accordance with 42 U.S.C. Section 3026, assure it will use outreach efforts to identify individuals eligible for assistance under this contract, with special emphasis on: (1) older individuals residing in rural areas; (2) older individuals with greatest economic need (with particular attention to low-income minority and older individuals residing in rural areas); (3) older individuals who have greatest social need (with particular attention to low-income minority individuals and residing in rural areas); (4) older individuals with severe disabilities; (5) older individuals with limited English proficiency; (6) older individuals with Alzheimer's Disease and related disorders with neurological and organic brain dysfunction and the caretakers of such individuals; and (7) older individuals at risk for institutional placement.

VIII. PERFORMANCE MEASURES

The CONTRACTOR shall meet performance measures approved by the department and all approved performance measure projections, including any amendments. Approval by AGENCY of the CONTRACTOR'S performance measures shall be in accordance with the requirements defined in the *Established Performance Measures Projections Manual* developed by DADS.

IX. FUNDING OBLIGATIONS

The CONTRACTOR acknowledges that the AGENCY'S obligation hereunder for payment, in consideration of full and satisfactory performance of activities described in this contract, **is limited to monies received from the Texas Department of Aging and Disability Services (DADS), the State of Texas, and any other originating funding source.**

The AGENCY shall not be liable to the CONTRACTOR for costs incurred or performance rendered unless such costs and performances are strictly in accordance with the terms of this contract, including but not limited to, terms governing the CONTRACTOR'S promised performance and unit rates and/or reimbursement capitations specified.

The AGENCY shall not be liable to the CONTRACTOR for any expenditures which are not allowable costs as defined in the C.F.R., Title 45, Part 74 and 92, as amended, or which expenditures have not been made in accordance with the fiscal guidelines and requirements outlined by the AGENCY.

The AGENCY shall not be liable to the CONTRACTOR for expenditures made in violation of regulations promulgated under the OAA, as amended, or in violation of the AGENCY rules, Uniform Grant Management Standards, or this contract.

X. COMPENSATION

The AGENCY agrees to make payment to the CONTRACTOR in the amounts and upon the terms and provisions as set forth in the CONTRACTOR's budget, and all attachments to this contract, and the CONTRACTOR agrees to accept such payments as full compensation for services performed hereunder. All payments shall be based on the performance information reported in the approved budget, reimbursement requests and quarterly fiscal and programmatic reports.

The AGENCY will pay the CONTRACTOR on a reimbursement basis for services rendered. The CONTRACTOR may not subcontract or purchase services under an "at risk" unit rate or reimbursement methodology without the approval of the AGENCY. **Reimbursement, using OAA and other DADS funds, for services provided by the CONTRACTOR shall not exceed the available OAA and other DADS funds awarded by the DADS to the AGENCY and shown in the approved budget.**

XI. PAYMENT METHODOLOGY

The AGENCY has no obligation to remit funds under the terms of this contract for services provided on a reimbursement basis, as defined in Section VIII, COMPENSATION, until the CONTRACTOR has provided the service and reported such provision in a request for reimbursement. In the absence of written agreement to the contrary, the AGENCY will remit funds to the CONTRACTOR subject to the appropriate administrative procedures and contingent upon receipt of funds by the AGENCY from the DADS, State of Texas and/or other funding sources.

The CONTRACTOR shall report eligible units of service and actual allowable expenses to the AGENCY in the frequency and in such manner, using any and all prescribed forms, as may be prescribed by the AGENCY.

Final payment shall be based on the information contained in the reimbursement system 60 days following termination of this contract. This payment provision shall apply to final payment whether at completion of the contract period or in the event of early contract termination

XII. REPORTING REQUIREMENTS

The CONTRACTOR agrees to submit all required fiscal and programmatic reports in accordance with the report due dates established by the AGENCY. The CONTRACTOR agrees to maintain fiscal records to support reimbursement in conformity with the procedures established by the AGENCY. All fiscal and program reports shall continue to be due throughout the entire contract period even though no additional services may be reimbursable under this contract.

The CONTRACTOR shall complete and submit to the AGENCY, all requests for funds on an AGENCY prescribed form in accordance with the rules and policies of the AGENCY. A final program report shall be submitted to the AGENCY on or before the date established by the AGENCY with not less than 45 days advance notice to the CONTRACTOR. The total of all program

reports including the final program report shall support and be reconciled to all funds received during the contract period. **Under no circumstances shall requests for funds be submitted later than October 31, for the previous fiscal year, or after the final program report is submitted.**

XIII. MATCH REQUIREMENTS

The CONTRACTOR shall provide a minimum match for the project, as required by the OAA, as amended, and shall assure total match for services is sufficient to meet the requirements of the OAA, as amended, and the DADS rules.

Match shall be in the form of cash except where specific in-kind and/or third party contributions have been approved by the AGENCY. All match contributions shall be expended for goods and services necessary for and specifically identifiable to the CONTRACTOR'S Service Delivery/Operational Plan.

Match shall conform to the OAA regulations, Code of Federal Regulations, Title 45, Part 74 and Part 92 and DADS rules regarding match requirements or as required in requests for proposals issued by AGENCY.

XIV. PROGRAM INCOME

Program income contributions shall be administered in accordance with 40 TAC §83.2(1), UGMS Subpart C __. 25 and all applicable DADS Rules. The CONTRACTOR shall use all program income and participant contributions collected to further eligible program outcomes. All program income and participant contributions collected and expended shall be documented and managed according to the DADS Rules and Regulations.

Program income received as contributions will be accounted for and deposited in accordance with the written policies and procedures established by the CONTRACTOR in accordance with the DADS Rules and Regulations. (**Attachment D – Procedures for Handling Client Donations**)

Program income collected by AGENCY shall be handled in accordance with the DADS Rules and Regulations.

Program income collected by AGENCY shall consist only of those funds specifically provided by, or on behalf of, a program participant and directly attributable to the service provided.

XV. CONTRIBUTION POLICY

The CONTRACTOR shall provide a voluntary opportunity for each eligible participant to contribute to the cost of services **while protecting the individual's privacy**. The CONTRACTOR shall safeguard and account for such contributions as outlined in **Attachment D – Procedures for Handling Client Donations**. All client contributions will be used to expand and/or enhance program outcomes.

XVI. MAINTENANCE OF RECORDS

The CONTRACTOR shall retain all financial records, supporting documents, statistical records, and

all other records relating to its performance of this contract. The CONTRACTOR shall use any and all standard forms promulgated by the AGENCY, as applicable. Use of said forms shall not be required less than 30 days following issuance of the form, but earlier use is encouraged.

All of the aforesaid records shall be made available, with reasonable notice, at the CONTRACTOR'S office, and shall be maintained for at least five (5) years after the termination of this agreement, or five years after any audit findings and other disputes or litigation relating to this agreement, if any, have been resolved. Multi-site CONTRACTORS may maintain all records at a designated central location (i.e., administrative headquarters) for purposes of this section.

XVII. ACCESSIBILITY OF RECORDS

The CONTRACTOR shall give the AGENCY, the DADS, the AoA, the Comptroller General of the United States, and the State of Texas, through any authorized representatives, the access to and right to examine all records, books, papers, contracts, or other documents related to this contract. Such right of access shall continue as long as such records, or any of them, are in existence, but shall not be less than five (5) years following the end of this contract term or the resolution of any disputes relating to this contract, whichever is later. The CONTRACTOR shall include the substance of this provision in all subcontracts.

The CONTRACTOR agrees the state auditor may conduct an audit or investigation of any entity receiving funds from the AGENCY directly under this contract. The CONTRACTOR understands acceptance of funds directly under this contract acts as acceptance of the authority of the State Auditor's Office, the AGENCY, or any successor agency, to conduct an audit or investigation in connection with those funds. The CONTRACTOR further agrees to cooperate fully with the State Auditor's Office or its successor in the conduct of the audit or investigation, including providing all records requested.

XVIII. MONITORING

The AGENCY shall conduct both program and financial monitoring, either on-site, desk review or both, of CONTRACTOR on a systematic basis to ensure compliance with established policies and regulations.

XIX. AUDIT REQUIREMENTS

If required because the CONTRACTOR exceeded federal and/or state expenditure threshold of \$500,00000 the CONTRACTOR shall submit a copy of an annual audit of the CONTRACTOR, performed by an independent certified public accounting firm within nine months after the end of the CONTRACTOR's fiscal year, to the AGENCY. The audit shall cover the CONTRACTOR'S entire organization and be conducted in accordance with generally accepted auditing standards. Audits performed under this Section are subject to review and resolution by the AGENCY or its authorized representative.

The audit shall be conducted and submitted in accordance with the standards for financial and compliance audits contained in the Standards for Audits of Governmental Organizations, Programs, Activities and Functions, issued by the U.S. General Accounting Office; the Single Audit Act of 1984; Office of Management and Budget (OMB) Circular A-133 Audits of States, Local

Governments, and Nonprofit Organizations; and UGMS.

The CONTRACTOR understands and agrees the CONTRACTOR shall be liable to the AGENCY for any costs disallowed as a result of unresolved questioned costs revealed during the audit. All questioned costs relating to a AGENCY program shall be resolved within one hundred eighty (180) days following receipt of the CONTRACTOR's audit by the AGENCY, otherwise disallowance of questioned costs shall be implemented, and the CONTRACTOR shall be liable to the AGENCY for such disallowed costs.

The CONTRACTOR shall have the right to appeal any such disallowance of costs in accordance with 40 TAC §81.15, Appeal Procedures for Area Agency on Aging Contractors.

If CONTRACTOR is not required to submit an audit in compliance with the U.S. General Accounting Office; the Single Audit Act of 1984; Office of Management and Budget (OMB) Circular A-133 Audits of States, Local Governments, and Nonprofit Organizations; and UGMS, the AGENCY may require the CONTRACTOR to submit a Program Specific Audit. This Program Specific Audit will be submitted to the AGENCY within 30 days of receipt of the completed audit by the CONTRACTOR.

XX. IDENTIFICATION OF HIGH RISK

The AGENCY may identify a contractor as high risk in accordance with the UGMS, Grant Administration, Section III, Subpart B, paragraph .12, Office of Budget and Management Circular A-110, Subpart B, paragraph .14, and DADS policies. The AGENCY may inform the CONTRACTOR of the identification as high risk in writing. The AGENCY may state the effective date of the identification as high risk, the nature of the issues that led to the identification as high risk, and any special conditions or restrictions. The identification as high risk, and any special conditions of restrictions. The identification as high risk may remain in effect until AGENCY determines the CONTRACTOR has taken corrective action sufficient to resolve the issues that led to the identification as high risk.

XXI. PAYMENT SUSPENSION, PENALTIES AND CONTRACT TERMINATION

In the event monitoring/evaluation activities by the AGENCY or its agents disclose deficiencies in the operation of the CONTRACTOR supported under provisions of this contract, the AGENCY shall take appropriate remedial steps that may include the issuance of sanctions and/or penalties in accordance with 40 TAC §81.13.

The AGENCY or CONTRACTOR may elect to terminate this contract upon ten (10) days written notice from the terminating party to the other party. The CONTRACTOR, upon notification of termination, shall have the right to appeal such termination following procedures outlined in DADS rules.

This contract also may be terminated upon the occurrence of any of the following events:

- a. Discontinuance of funding to the AGENCY from the DADS and/or AOA or the State of Texas;
- b. Failure of the CONTRACTOR to comply with any or all of the terms and conditions of this contract and any attachments thereto; or

c. Mutual agreement between the AGENCY and the CONTRACTOR.

In the event of termination, the CONTRACTOR shall submit final billings for units of service delivered pursuant to the contract. Final billings will be submitted to the AGENCY within fifteen calendar days after date of termination. The AGENCY shall reimburse those units of service, delivered in accordance with the contract, prior to termination.

At the date of termination, the AGENCY may require the CONTRACTOR to transfer title and deliver to the AGENCY or to another authorized contractor any property acquired by Federal or state funds or assigned to the CONTRACTOR by the AGENCY for the purposes of this contract.

The CONTRACTOR may dispose of property having a current value, at the time of termination, of less than \$500, in any manner, and the AGENCY shall make no recovery. The AGENCY shall provide instructions to the CONTRACTOR regarding disposition of all property having a current value, at the time of termination, of \$500 or more, within fifteen (15) days following notice of termination.

XXII. RECAPTURE OF PAYMENTS

If the CONTRACTOR has failed to comply with the terms of this contract that govern the use of monies pursuant to this contract, or if the CONTRACTOR has received funds in excess of those actually earned, the AGENCY may take appropriate action including the recapture of payment and/or withholding of funds.

XXIII. ASSURANCES (Attachment A)

The CONTRACTOR hereby provides all assurances required by law as set forth in Attachment A of this contract. All assurances and certifications contained in Attachment A are hereby incorporated by reference into this contract for all purposes as if set forth fully herein. The CONTRACTOR must certify compliance with assurances and certifications will be accomplished.

The CONTRACTOR shall use due diligence to ensure reasonable steps have been taken to meet the criteria or standards stated within each assurance. Failure to comply with an assurance shall subject the CONTRACTOR to penalties, disallowance of funds, and other action, up to and including termination.

XXIV. DEBARMENT & SUSPENSION (Attachment B)

As required by Federal Executive Order 12549, Debarment and Suspension and implemented at 45CFR Part 92.35, for prospective participants in Federal assistance programs:

The CONTRACTOR certifies Attachment B to the best of his or her knowledge and belief, on behalf of the organization, defined as the primary participant in accordance with 45 CFR Part 76, and its principals.

The CONTRACTOR also agrees by signing and submitting Attachment B, that it will include, without modification, the clause "Certification Regarding Debarment, Suspension, ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions" in all lower tier covered transactions and

in all solicitations for lower tier covered transactions in accordance with 45 CFR 76.

XXV. LIABILITY TO THIRD PARTIES

The AGENCY does not assume any liability to third persons, nor will the AGENCY reimburse the CONTRACTOR for its liability to third persons, with respect to loss due to death, bodily injury, or damage to property resulting in any way from the performance of this contract.

The CONTRACTOR shall give the AGENCY or its representative immediate notice of any suit or action filed, or prompt notice of any claim made against the CONTRACTOR arising out of the performance of this contract.

The CONTRACTOR shall furnish immediately to the AGENCY copies of all pertinent papers received by the CONTRACTOR in connection with any such suit, action or claim. The AGENCY shall have the option to intervene in such actions to represent the AGENCY's interest.

XXVI. CODE OF CONDUCT

The CONTRACTOR shall maintain a written code or standards of conduct, which shall govern the performance of its officers, employees or agents engaged in the award and administration of this contract supported by Federal funds if a conflict of interest, real or apparent, arises. Such a conflict would arise when: the employee, officer or agent; any member of his immediate family; his/her partner; or an organization which employs, or is about to employ any of the above, has a financial or other interest in the entity selected for award.

The CONTRACTOR's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value for any purpose that is or gives appearance of being motivated by a desire for private gain or favorable treatment for themselves or others, particularly those with whom they have family, business, or other personal ties.

No officer or member of the CONTRACTOR and no other public official or officer or member of the Board of the CONTRACTOR who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this project, shall participate in any decision relating to this Contract which affects his personal or pecuniary interest, direct or indirect, in the Contract or the proceeds thereof.

XXVII. GOVERNANCE

A. CRITERION

The CONTRACTOR shall be an eligible organization and shall be governed by a board, which represents the planning and service area (PSA) served. The board, if not otherwise covered in Statutes, law or regulations, shall consist of members pursuant to rules established by the DADS regarding such matters. The board shall function fully and effectively in its fiduciary role.

B. REQUIREMENTS

1. ELIGIBILITY

The CONTRACTOR will be designated by the AGENCY in accordance with the requirements of the OAA, as amended. If the CONTRACTOR is a private nonprofit entity, it

shall apply for and maintain 501(C)(3) or 501(C)(4) of the U. S. Tax Code.

2. GOVERNING BODY

a. **FUNCTIONS AND RESPONSIBILITIES**

The CONTRACTOR's board shall describe its functions in bylaws and carry them out as indicated so as to respond to the overall environment, the planning and service area, and intervention for problems.

MEETINGS, RECORDS AND ACTIVITY - The board shall hold regular meetings and keep adequate records that indicate active participation by all or most members in the full range of functions and a fair and equitable decision making process.

GENERAL POLICIES - The board shall establish general policies, including personnel and fiscal policies, for the conduct of the CONTRACTOR.

FINANCIAL VIABILITY - The board or its appropriate committee shall control major resource decisions and monitor financial viability by requiring regularly submitted financial reports that also indicate whether there exists a variance from revenue and expenditure projections.

RETENTION AND RECRUITMENT - The board shall establish a long-term plan to ensure a high quality CONTRACTOR staff.

b. **SELECTION OF MEMBERSHIP**

The CONTRACTOR's bylaws shall specify, and the CONTRACTOR's board shall carry out, a process for board member appointments and a process that provides for turnover among members, yet maintains sufficient continuity to ensure familiarity with issues and effective participation. The bylaws shall also provide for regular changes in leadership positions.

c. **CONFLICT OF INTEREST**

The bylaws or written corporate policies shall implement provisions that prohibit conflict of interest or the appearance of conflict of interest by personnel, advisory council members, board members, consultants and those who provide services or furnish goods to the CONTRACTOR. No board member shall be an employee of the CONTRACTOR or a subcontractor or be an immediate family member of an employee.

d. **FISCAL MANAGEMENT**

The CONTRACTOR shall have appropriate leadership and management structure to enable it to operate efficiently and effectively. The CONTRACTOR shall also have financial systems to maintain internal controls, ensure proper management of federal funds, maximize non-federal resources and maintain solvency.

The CONTRACTOR shall have accounting and internal control systems appropriate to the size of the organization. The accounting system should consist of source documents, a chart of accounts, journals, ledgers and routine financial reports. The internal controls system shall safeguard the CONTRACTOR's assets, produce accurate accounting data, promote efficient operations and encourage adherence to prescribed accounting policies

and procedures. Effective internal control shall involve a division of responsibility among different employees for a sequence of related functions, clear establishment of each employee's responsibilities and duties, and use of standards such as procurement policies, proofs, checks and other security measures.

e. MANAGEMENT PROCESS

The CONTRACTOR shall have procedures in place to ensure communication internally between the Executive/Project Director, other key staff, and the governing Board and externally with local, regional and state leaders and public officials. Management shall establish and implement a process for decision-making and priority setting, efficient and effective oversight of operations and evaluation of staff and programs administered and correction of deficiencies in both areas.

f. DATA SYSTEMS

The CONTRACTOR shall be supported by data systems, whether manual or computerized, that provide adequate information for operational efficiency and decision-making. The CONTRACTOR shall have financial data systems capable of producing expenditure reports, cost center analyses, budget formats and reports as required by, and without additional support from, the AGENCY. The data system shall be able to provide program performance and financial information to reflect the operation and status of the organization to assist the CONTRACTOR in conducting regular data assessment and analysis to determine if the CONTRACTOR is meeting its performance as required under this contract. The CONTRACTOR shall have in place adequate back-up systems, back-up schedules, back-up procedures to prevent the loss or corruption of any and all client, program, and financial data. If applicable, the CONTRACTOR shall implement the security features of all existing software.

The CONTRACTOR shall develop and implement security systems and procedures to safeguard any individually identifiable health information and privacy of all clients. The CONTRACTOR shall have the Department's written approval prior to the acquisition of any computer software program or hardware in excess of \$1,000 for which the CONTRACTOR will request reimbursement from the AGENCY funding.

g. HANDLING INDIVIDUALLY IDENTIFIABLE HEALTH INFORMATION

1. BACKGROUND - Under this contract, the AGENCY may provide or make available to the CONTRACTOR or the CONTRACTOR may create or receive on behalf of AGENCY certain information that is confidential and must be afforded special treatment and protection under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The CONTRACTOR will have access to or receive from AGENCY or create or receive on behalf of AGENCY certain individually identifiable health information that can be used or disclosed only in accordance with this Agreement and the security and privacy rules adopted by the U. S. Department of Health and Human Services (HHS) under HIPAA, 45 CFR §§ 164.302 - .318; 164.500 - .534. The CONTRACTOR is a Business Associate as that term is defined for purposes of the HIPAA security and privacy rules, 45 CFR § 160.103.

2. MUTUAL AGREEMENTS BETWEEN THE PARTIES

- a. The AGENCY will provide or make available to the CONTRACTOR or the CONTRACTOR will create or receive on behalf of AGENCY individually identifiable health information regarding clients applying for or receiving services from both AGENCY and the CONTRACTOR.
- b. The CONTRACTOR is prohibited from using or disclosing the individually identifiable health information provided by, made available by, or created or received on behalf of AGENCY for any purpose other than as expressly permitted or required by this contract.
- c. The CONTRACTOR is permitted to use or disclose individually identifiable health information to accomplish the purposes of the contract. To be permissible, the use or disclosure may not violate the HIPAA privacy rules and must be limited to the minimum necessary to accomplish the purpose of the use or disclosure.
- d. Additional purposes for which the CONTRACTOR may use or disclose individually identifiable health information:
 - i. the CONTRACTOR may use the information for proper management and administration or to carry out the CONTRACTOR's legal responsibilities.
 - ii. The CONTRACTOR may disclose the information for proper management and administration or to carry out the CONTRACTOR's legal responsibilities if;

A the disclosure is required by law; or

B. the CONTRACTOR obtains the following assurances from the person to whom the information is disclosed:

(I) that the person will maintain the confidentiality of the information;

(II) that the person will use or further disclose the information only as required by law or for the purpose it was disclosed to the person; and

(III) that the person will notify the CONTRACTOR of any breaches of confidentiality.

3. AGREEMENTS BY THE CONTRACTOR

- a. The CONTRACTOR will establish and maintain appropriate safeguards to prevent any use or disclosure of individually identifiable health information, other than as provided for by this contract.
- b. The CONTRACTOR will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintain, or transmits on behalf of AGENCY as required by 45 CFR §§ 164.302-.308.
- c. The CONTRACTOR will immediately report to AGENCY any use or disclosure of individually identifiable health information not provided for or allowed by this contract and any security incident of which it becomes aware.
- d. Anytime the CONTRACTOR provides or makes available individually identifiable

- health information to agency or person, the CONTRACTOR must enter into an agreement with that agency or person that contains the same terms, conditions, and restrictions on the use, disclosure, and security of the information as contained in this agreement.
- e. The CONTRACTOR will make information in a designated records set available to AGENCY, or as directed by AGENCY, to the subject of the information to comply with the requirements under 45 CFR § 164.524.
 - f. The CONTRACTOR will make information in a designated records set available for amendment and incorporate any amendments to this information in accordance with 45 CFR § 164.526.
 - g. The CONTRACTOR will document and make available to AGENCY the information required to provide an accounting of disclosures in accordance with 45 CFR § 164.528.
 - h. The CONTRACTOR will make internal practices, books, and records relating to the use, disclosure, or security of individually identifiable health information received from AGENCY or created or received by the CONTRACTOR on behalf of AGENCY available to the Secretary of Health and Human Services or the Secretary's designee for purposes of determining compliance with the privacy or security rules.
 - i. Once the CONTRACTOR finishes providing goods or services under this contract or an extension of this contract, it will return, destroy, or continue to maintain appropriate safeguards for all individually identifiable health information received from AGENCY or created or received on behalf of AGENCY. If the CONTRACTOR destroys this information, it must certify to AGENCY that the information has been destroyed. The CONTRACTOR may not elect to destroy information that must be retained under federal or state law. The CONTRACTOR must maintain appropriate safeguards for the information as long as the CONTRACTOR has it.
 - j. The CONTRACTOR will have procedures in place for mitigating, to the maximum extent practicable, any deleterious effect from the use or disclosure of individually identifiable health information in a manner contrary to the contract or the privacy rules.
 - k. The CONTRACTOR will develop and implement a system of sanctions for any employee who violates this contract or the privacy or security rules.
4. INJUNCTIVE RELIEF - Notwithstanding any rights or remedies provided for in this agreement, AGENCY retains all rights to seek injunctive relief to prevent or stop the unauthorized use or disclosure of individually identifiable health information or a violation of the security rules by the CONTRACTOR, employee, person or agency that received information from the CONTRACTOR.

XXVIII. FORCE MAJEURE

To the extent that either party to this contract shall be wholly or partially prevented from the performance within the terms of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, invasion, insurrection, accident, order of court, judge, or civil authority, an act of God, or any cause reasonably beyond the party's control and not attributable to its neglect, that in such event the time for the performance of such obligations or duty shall be suspended until such disability to perform is removed.

XXIX. CONTRACT NOTICES

Any notice required to be given pursuant to the provisions of this contract shall be sent by certified mail, postage prepaid, to the addresses of the parties hereto as set out below until due notice has been given of a change of address.

For AGENCY:

Walter Diggles, Executive Director
Deep East Texas Council of Governments
210 Premier Drive
Jasper, Texas 75951

For CONTRACTOR:

Polk County Aging
Name
602 E. Church Street, Suite#145
Address
Livingston, TX 77351
City, State, Zip

XXX. POLITICAL ACTIVITY

No funds provided under this Agreement may be used in any way to attempt to influence in any manner a member of Congress to favor or oppose any legislation or appropriation by Congress, or for lobbying with State or local legislators. The CONTRACTOR, if a recipient of Federal assistance exceeding \$100,000 through the AGENCY, will comply with section 319, Public Law 101-121 (31 U.S.C. 1352).

XXXI. SECTARIAN INVOLVEMENT

The CONTRACTOR shall ensure that no funds under this contract are used, either directly or indirectly, in the support of any religious or anti-religious activity, worship, or instruction. This clause shall be interpreted in light of DADS rule 40 TAC §69.16 and 45 CFR Chapter 87.

XXXII. RIGHT TO APPEAL

Any applicant to provide services whose application is denied or whose contract is terminated or not renewed (except as provided in 45 CFR Part 74, Subpart M) has a right to appeal such action. The applicant shall give notice of appeal to the AGENCY within 10 days after it receives the AGENCY's action letter. Appeals Procedures adopted by the AGENCY and codified at 40 TAC §81.15 will be used as the appeals process.

XXXIII. INDEPENDENT CONTRACTOR

In performance of obligations under this contract, the CONTRACTOR shall act as an independent contractor and not as an agent, representative or employee of the AGENCY. No employee, agent, or representative of the CONTRACTOR shall be considered an employee of the AGENCY nor be eligible for any benefits, rights or privileges afforded to the AGENCY employees.

XXXIV. ORAL AND WRITTEN AGREEMENT

All oral or written agreements made prior to this contract have been reduced to writing and are contained herein by the execution of this contract including any proposals submitted by the CONTRACTOR. The CONTRACTOR evidences its understanding and agrees that any prior

agreement is terminated as of the effective date of this contract. Both parties agree that the AGENCY shall not be liable for any costs incurred by the CONTRACTOR except to the extent provided in this contract. When 45 CFR, or its appendices, provide that a cost is allowable only when authorized in writing, the cost will not be allowable unless written approval from the AGENCY is obtained prior to the expenditure.

XXXIV. SEVERABILITY

The invalidity or unenforceability of any provision of this contract will not affect the validity or enforceability of any other provision of this contract.

XXXV. ALTERNATIVE DISPUTE RESOLUTION

- A. The dispute resolution process provided for in Chapter 2260 of the Government Code shall be used, as further described herein, by the AGENCY and the CONTRACTOR to attempt to resolve any claim for breach of contract made by the CONTRACTOR.
1. The CONTRACTOR's claim for breach of this contract that the parties cannot resolve in the ordinary course of business shall be submitted to the negotiation process provided in Chapter 2260, Subchapter B, of the Government Code. To initiate the process, the CONTRACTOR shall submit written notice, as required by Subchapter B, to Walter G. Diggles, Sr., Executive Director, Deep East Texas of Governments, 210 Premier Drive, Jasper, Texas 75951.
 2. The contested case process provided in Chapter 2260, Subchapter C, of the Government Code is the CONTRACTOR's sole and exclusive process for seeking a remedy for any and all alleged breaches of contract by the AGENCY if the parties are unable to resolve their disputes under subparagraph.
 3. Compliance with the contested case process provided in Subchapter C is a condition precedent to seeking consent to sue from the Legislature under Chapter 107 of the Civil Practices and Remedies Code. Neither the execution of this contract by the AGENCY nor any other conduct of any representative of the AGENCY relating to the contract shall be considered a waiver of sovereign immunity to suit.
- B. The submission, processing and resolution of the CONTRACTOR's claim is governed the published rules adopted by the Attorney General pursuant to Chapter 2260, as currently effective, hereinafter enacted or subsequently amended.
- C. Neither the occurrence of an event nor the pendency of a claim constitutes grounds for the suspension of performance by the CONTRACTOR, in whole or in part.

XXXVI. APPLICATION OF LAW & VENUE

This contract is governed by and shall be construed in accordance with the laws of the State of Texas. All claims against the AGENCY by the CONTRACTOR seeking, as a legal right, the payment of money, adjustment or interpretation of contract terms, or other relief, arising under or

relating to the contract shall be filed in Jasper County, Texas. If any legal action is brought for the enforcement of this contract or because of an alleged dispute, breach, default, misrepresentation in connection with any of the provisions of this contract, each party will bear its own legal expenses and other costs incurred in the action.

XXXVII. SURVIVAL OF TERMS

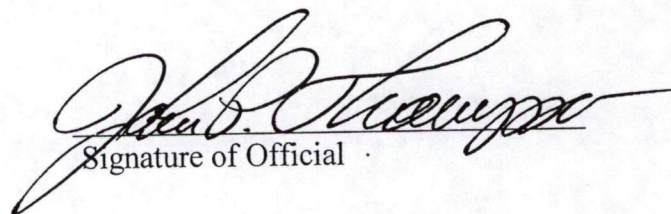
The following portions of this Agreement shall survive termination: IX, X, XIV, XV, XVII, XIX, XX, XXII, XXVI, XXXI to XXXIV, and XXXVI.

XXXVIII. ACCEPTANCE OF CONTRACT

I, the undersigned, certify that I have read and understand the terms of this contract and that this agency will abide by them. I further certify that I am authorized to sign for the CONTRACTOR agency.

FOR CONTRACTOR:

John P. Thompson
County Judge-Polk County, Texas
Typed Name and Title of
Authorized Official


Signature of Official

1/8/08
Date

FOR THE DEEP EAST TEXAS COUNCIL OF GOVERNMENTS:

Walter G. Diggles, Sr., Executive Director
Typed Name and Title of
AGENCY Representative

Signature of AGENCY Representative

Date

**DEEP EAST TEXAS COUNCIL OF GOVERNMENTS
CONTRACT FOR
OLDER AMERICANS ACT PROGRAM**

**ATTACHMENT A
ASSURANCES & CERTIFICATIONS**

The CONTRACTOR shall maintain proper documentation to substantiate all of the assurance items set out below. Such documentation will be subject to review for adequacy and completeness. Failure to maintain the appropriate and necessary documentation shall be grounds for sanctions and penalties, in accordance with 40 TAC 81.13.

I. Compliance with Requirements

The CONTRACTOR agrees to administer the program in accordance with the Older Americans Act (OAA) and all applicable regulations, policies and procedures established by the the Texas Department of Aging and Disability Services (DADS), the Area Agency on Aging of Deep East Texas, the Administration on Aging (AoA), and the Secretary of Health and Human Services.

II. General Administrative and Fiscal Requirements

The CONTRACTOR shall adhere to uniform administrative requirements and cost principles which are in compliance with relevant provisions of OMB Circulars A-87, A-102, as revised or OMB Circulars A-110, A-122, and A-133, as applicable; 45 CFR, Part 74; 45 CFR, Part 92; and other OMB Circulars, except where these provisions are superseded by statute.

III. Safeguarding Confidential Information

The CONTRACTOR shall implement such regulations, standards, and procedures as are necessary to meet the requirements on safeguarding confidential information under the relevant program regulations.

IV. Standards for Fire, Health, Safety, Sanitation and Other Standards

The CONTRACTOR providing services under this contract shall operate fully in conformance with all federal, state and local fire, health, safety, sanitation, and other standards prescribed in law or regulations in the fulfillment of this contract. The CONTRACTOR assures that where the state or local jurisdictions require licensure for the provision of services, agencies providing such services shall be licensed.

V. Insurance Coverage

The CONTRACTOR will maintain fire and casualty, worker's compensation, fidelity bond, and general liability insurance in amounts prescribed in statute or regulation, as applicable.

VI. Participant Grievance Procedures

The CONTRACTOR shall establish written procedures through which participants can communicate aspects of the service which impact negatively upon them. All procedures shall be in accordance with 40 TAC 81.19.

VII. Equal Employment Opportunity

- a. *Americans with Disabilities Act of 1990 -*
The CONTRACTOR shall comply with the requirements established under the Americans with Disabilities Act in meeting statutory deadlines established under the Act as they pertain to operations for employment, public accommodations, transportation, state and local government operations and telecommunications.
- b. *Section 504 of the Rehabilitation Act of 1973 -*
The CONTRACTOR shall provide that each program activity, when viewed in its entirety is readily accessible to and usable by persons with disabilities in keeping with 45 CFR, Part 84.11, et. seq., and as provided for in Section 504 of the Rehabilitation Act of 1974, as amended. When structural changes are required, these changes shall be in keeping with 45 CFR, Part 74.
- c. *Title VI of the Civil Rights Act of 1964 -*
The CONTRACTOR shall ensure that benefits and services available under this contract are provided in a non-discriminatory manner as required by Title VI of the Civil Rights Act of 1964, as amended.
- d. *Age Discrimination in Employment Act of 1967 -*
The CONTRACTOR shall comply with Age Discrimination in Employment Act of 1967 (29 USC 621, et. seq.).

VIII. Drug Free Workplace

The CONTRACTOR shall comply with the Drug-Free Workplace Act of 1988, 41 U.S.C. §§701-704, and – 28 TAC Chapter 169, as applicable.

IX. Lobbying

As required by Title 31, US Code, Section 1352, entitled "Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions," generally prohibits recipients of Federal grants and cooperative agreements from using Federal (appropriated) funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a specific grant or cooperative agreement. Section 1352 also requires that each person who requests or receives a Federal grant or cooperative agreement must disclose lobbying undertaken with non-Federal (non-appropriated) funds. These requirements apply to grants and cooperative agreements EXCEEDING \$100,000 in total costs (45 CFR Part 93)

The CONTRACTOR certifies, to the best of his or her knowledge and belief that:

- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (c) The CONTRACTOR shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

X. Outreach

The CONTRACTOR shall ensure that outreach efforts identify individuals eligible for assistance and inform them of available services under the Older Americans Act, with special emphasis on: (1) older individuals residing in rural areas; (2) older individuals with greatest economic need (with particular attention to low-income minority individuals residing in rural areas); (3) older individuals who have greatest social need (with particular attention to low income minority individuals and residing in rural areas); (4) older individuals with severe disabilities; (5) older individuals with limited English proficiency; (6) older individuals with Alzheimer's Disease and related disorders with neurological and organic brain dysfunction and the caretakers of such individuals; and (7) older individuals at risk for institutional placement.

XI. Grant Purchased Equipment

The CONTRACTOR shall ensure that all equipment purchases made utilizing grant funds complies with applicable laws and regulations with special attention to 45 CFR 92.

Equipment may be assigned to CONTRACTOR for use in connection with this contract. Title to the real and personal property shall vest in the CONTRACTOR subject to the condition that the CONTRACTOR shall use the property for the authorized purpose of the original contract for the entire term of the contract. It is further agreed that the CONTRACTOR shall maintain adequate property control records, perform regular inventories, document adequate maintenance and repair, and establish adequate safeguards to prevent loss, damage, or theft to any such property in accordance with sound industrial practice. Personal property shall include all tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000.00 or more. Controlled assets must be accounted for according to the following acquisitions cost parameters:

Hand Gun	Any
Rifle	Any
Fax Machine/Telecopier	\$500 or more
Stereo System	\$500 or more
Camera	\$500 or more
Video Recorder/Laserdisc	
Player (TV, VCR, Camcorder)	\$500 or more
Desktop CPU	\$500 or more
Printer (not portable)	\$500 or more
Portable CPU (laptop)	\$500 or more
Cellular and Portable Phones	\$500 or more

Unless otherwise provided in the contract, the CONTRACTOR, upon delivery or acquisition of any such property, shall assume the risk of and be responsible for,

any loss thereof or damage thereto, except for reasonable wear and tear, and except to the extent that such property is consumed in the performance of this contract.

The CONTRACTOR shall, upon completion of this contract or where there is otherwise no longer a need for such property, give written notice to the AGENCY within ten (10) calendar days to such effect. It is further agreed that upon receipt by the AGENCY of such written notice, the AGENCY shall issue instructions as to the continued use or disposition of such property to the CONTRACTOR pursuant to applicable federal regulations as outlined in OMB Circular A-102.

XII. Maintenance of Non-Federal Support for Services

The CONTRACTOR shall not replace funds from non-federal sources with federal funds. The CONTRACTOR agrees to continue to initiate efforts to obtain support from other sources for services funded under this contract.

XIII. Training Requirements

The CONTRACTOR shall provide in-service training to all personnel relative to the performance of this contract. The CONTRACTOR shall secure appropriate training and certification for all personnel delegated duties that require such specialized training and/or certification.

XIV. Coordination Requirements

The CONTRACTOR agrees that the AGENCY may establish procedures and mechanisms necessary to assure effective coordination between the various activities and programs operating pursuant to the Older Americans Act of 1965, as amended, and other local, state or federal programs operating on behalf of older persons.

The CONTRACTOR shall participate in AGENCY's initiative for evaluating and improving the access and intake processes for all DADS services and programs through AAAs, Mental Retardation Authorities, and Regional and Local Services.

XV. Coordination of Service Delivery

CONTRACTORS who operate focal points in the community must assure collocation of services, where feasible.

XVI. Emergency Management

In the event of a disaster, whether man-made, natural, or of a civil defense nature,

the CONTRACTOR will provide and coordinate appropriate resources to federal disaster relief agencies and may provide equipment and resources for the following activities: temporary shelter; nutrition services; food preparation; transportation and volunteers.

XVII. Taxes

The CONTRACTOR will comply with all state, federal and local tax requirements with respect to property and personnel.

XVIII. Personnel

The CONTRACTOR shall furnish all necessary personnel and shall appoint personnel of adequate qualifications, skill and expertise as are required to perform the services to be rendered in accordance and compliance with the terms of this contract. The CONTRACTOR shall be responsible for completion of the services to be rendered in accordance with this agreement and all applicable service standards. The CONTRACTOR shall provide all necessary supervision and coordination of activities that is required to complete the services and fulfill all contractual obligations.

XIX. Provision of Services

The CONTRACTOR assures compliance with the following provisions relating to the services covered by this contract.

- a. *Eligibility* - The services covered by this contract serve only those individuals and groups eligible under the provisions of the Older Americans Act of 1965, as amended.
- b. *Residency* - No requirements as to duration of residence or citizenship as a condition of participation in the provision of services will be imposed on persons requesting services.
- c. *Coordination and Maximum Utilization of Services* - The CONTRACTOR, to the maximum extent, shall coordinate and utilize the services and resources of other appropriate public and private agencies and organizations. Efforts shall be demonstrated to coordinate with local state agencies to ensure non-duplication of administrative activities and service delivery to the maximum extent possible. Coordination activities shall reduce administrative burden on service providers and provide better service delivery to program participants.
- d. *Prohibition of Means Test for Services* - The CONTRACTOR shall provide all services funded by the Older Americans Act of 1965, as amended, without the use of any means test to determine eligibility for services.
- e. *Legal Assistance Services Attorney-Client Privilege* - The

CONTRACTOR shall not divulge any information that is protected by the attorney-client privilege.

XX. Prohibition on Certain Bids and Contracts – Not Ineligible Due to Disasters

Under Section 2261.053, Government Code, the CONTRACTOR certifies the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges this contract may be terminated and payment withheld if this certification is inaccurate.

XX. Historically Underutilized Businesses (HUBs)

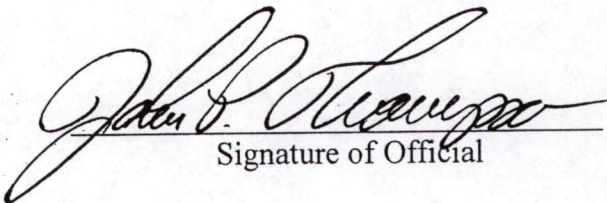
The CONTRACTOR shall make a good faith effort to locate and consider a Historically Underutilized Business (HUB), as defined in Texas Government Code 2161.001(2), when subcontracting any portion of this Contract.

I, the undersigned, certify that compliance with these assurances and certifications will be accomplished. I further certify that I am authorized to sign for the CONTRACTOR agency.

FOR CONTRACTOR:

John P. Thompson
County Judge-Polk County, Texas

Typed Name and Title of
Authorized Official



Signature of Official

Date: 1/8/08

**DEEP EAST TEXAS COUNCIL OF GOVERNMENTS
CONTRACT FOR
OLDER AMERICANS ACT PROGRAM
ATTACHMENT B
SANCTIONS AND PENALTIES FOR TITLE III FUNDED PROGRAMS**

DEFINITIONS

Definitions for words and terms specific to this document shall have the following meanings, unless the context clearly indicates otherwise.

Level One Sanction – The sanction that the Area Agency on Aging of Deep East Texas (AAADet or agency) may impose as a response to a contractual breach and/or failure to comply with agency rules and specific state and federal requirements.

Level Two Sanction – The sanction that the Area Agency on Aging of Deep East Texas (AAADet or agency) may impose as a response to a severe problem and the potential negative impact such a problem may have on a subgrantee's service area.

Level Three Sanction – The sanction that the Area Agency on Aging of Deep East Texas (AAADet or agency) may impose where a severe and/or continued failure to comply with contractual requirements, agency rules, and/or state and/or federal laws continues to go uncorrected.

Level Four Sanction – The sanction that the Area Agency on Aging of Deep East Texas (AAADet or agency) may impose where a severe and/or continued failure to comply with contractual requirements, agency rules, and/or state and/or federal laws continues to go uncorrected.

Acceptable Corrective Action Plan – Identification of actions to be taken, including a time line, that are acceptable to the agency to correct an identified issue of contractual or legal non-compliance.

Certified – When used in conjunction with performance measure testing it describes having obtained acceptable results, within tolerances allowed by the State Auditor's Office, for data tested.

Discretionary Funds – Any funds issued by the Texas Department of Aging and Disabilities that are not awarded to the area agency or not awarded based on a general funding formula or not awarded by action of the Health and Human Services Commission.

Extension – An approved request, which is submitted to the agency on or before the original due date, to submit required reports or other required information later than the established original due date. No more than two extensions shall be granted in any one federal fiscal year.

SANCTIONS

Level One Sanctions. Level one sanctions may result in one or more of the following actions:

Require the development, submission, and implementation of an acceptable corrective action plan to address identified weaknesses and/or non-compliance;
Submission of additional and/or more detailed financial and/or performance reports;
Designation as a high-risk subgrantee requiring additional monitoring visits; and
Repayment of disallowed costs.

Level Two Sanctions. Level two sanctions may result in one or more of the following actions:

Imposition of one or more level one sanctions;
Prohibit participation in discretionary funds application or carryover pool redistribution;
and
Provision of appropriate technical assistance.

Level Three Sanctions. Level three sanctions may result in one or more of the following actions:

Imposition of one or more level one sanctions;
Imposition of one or more level two sanctions;
Prohibit or limit provision of direct service by subgrantee;
Imposition of the requirement that reimbursement payments made to subgrantee for the remainder of the fiscal year shall be made only following submission of bills paid or other documentation to show that bills for which reimbursement is sought have been paid.

I. **Level Four Sanctions.** Level four sanctions may result in one or more of the following actions:

Imposition of one or more level one sanctions;
Imposition of one or more level two sanctions;
Imposition of one or more level three sanctions;
Require directed amendment to current operational plan; and
Recommend deobligation and/or cancellation of the contract with the subgrantee to the Deep East Texas Council of Governments Executive Board.

ADMINISTRATIVE VIOLATIONS

Administrative violations shall result in disciplinary actions as specified in this section, unless the violation was due to an act of God or action by the Deep East Texas Council of Governments / Area Agency on Aging of Deep East Texas. Violations will be documented and greater levels of administrative sanctions will be applied for non-compliance issues deemed most serious and for continued non-compliance of less serious offenses.

Violations Subject to Level One Sanctions. Violations which may result in the imposition of level one sanctions include the following:

Failure to submit a required report by the due date or approved extension. For purposes of this violation, a Request for Reimbursement and CIS/MIS/AIM submission for a single month shall be considered one report submission.

Failure to submit required reports accurately and completely, if identified by the Agency (not to exceed two instances in one fiscal year), and not corrected within five workdays following notification;

Failure, on the third occurrence, to submit required reports accurately and completely, if identified by the Agency, whether or not a violation notice was previously issued;

Failure to submit an acceptable corrective action plan for findings of program and fiscal monitoring within 45 days.

Violations Subject to Level Two Sanctions. Violations which may result in the imposition of level two sanctions include the following:

Failure to rectify any level one sanction with the timeframe established for corrective action;

Failure to complete corrective actions provided in any corrective action plan;

Failure to submit a Single Audit, in accordance with OMB Circular A-133, to the Agency;

Failure to be certified as having had accurate data following performance measure testing;

Failure to assure resolution of deficiencies found during monitoring/quality assurance review within the timeframes established in the corrective action plan.

Violations Subject to Level Three Sanctions. Violations which may result in the imposition of level three sanctions include the following:

Failure to rectify any level one sanction within 90 days following the timeframe established for corrective action;

Failure to rectify a level two sanction with the timeframe established for corrective action;

Failure to appropriately act upon reported or identified threats to the health and safety of program participants within 72 hours of notice/identification;

Failure to appropriately report and respond to allegations of abuse, neglect, and/or exploitation, and or allegations of fraud or ethics code violations;

Failure to have performance measure tested data certified as accurate two times out of any four consecutive performance measure tests; and

Commits four or more level one violations or three or more level two violations within the same fiscal year.

Violations Subject to Level Four Sanctions. Violations which may result in the imposition of level four sanctions include the following:

Failure to rectify any level one sanction within 180 days following the timeframe established for corrective action;

Failure to rectify any level two sanction within 90 days following the timeframe established for corrective action; and

Failure to rectify any level three sanction within the timeframe established for corrective action

DEEP EAST TEXAS COUNCIL OF GOVERNMENTS**CONTRACT FOR****OLDER AMERICANS ACT PROGRAM****Attachment C:****CONTRACTOR SCOPE OF SERVICES:****HOME DELIVERED MEALS**

10,872 Meals @ \$ 4.90 per meal = \$ 53,272.80

SERVICE DEFINITION:

Hot, cold, frozen, dried, canned, fresh, or supplemental food (with a satisfactory storage life) which provides a minimum of 33 $\frac{1}{3}$ percent of the dietary reference intakes established by the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences and complies with the most recent Dietary Guidelines for Americans, published by the Secretary of Agriculture, and is delivered to an eligible participant in their place of residence. The objective is to reduce food insecurity, help the recipient sustain independent living in a safe and healthful environment. There are two types of home delivered meals:

Standard meal - A regular meal from the standard menu that is served to the majority or all of the participants.

Therapeutic meal or liquid supplement - A special meal or liquid supplement that has been prescribed by a physician and is planned specifically for the participant by a dietician (e.g., diabetic diet, renal diet, pureed diet, tube feeding).

Unit of Service: One Meal.

DEEP EAST TEXAS COUNCIL OF GOVERNMENTS**CONTRACT FOR****OLDER AMERICANS ACT PROGRAM****Attachment C:****CONTRACTOR SCOPE OF SERVICES:****Congregate Meals**

10,533 Meals @ \$ 4.61 per meal = \$ 48,557.13

SERVICE DEFINITION:

A hot or other appropriate meal served to an eligible person which meets one-third (1/3) of the recommended dietary allowances (RDA) as established by the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences and complies with the Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture, and which is served **in a congregate setting**. There are two types of congregate meals:

Standard Meal – A regular meal from the standard menu that is served to the majority or all of the participants.

Therapeutic meal or liquid supplement – A special meal or liquid supplement that has been prescribed by a physician and is planned specifically for the participant by a dietician (e.g., diabetic diet, renal diet, pureed diet, tube feeding).

Unit of Service: One Meal

DEEP EAST TEXAS COUNCIL OF GOVERNMENTS**CONTRACT FOR****OLDER AMERICANS ACT PROGRAM****Attachment C:****CONTRACTOR SCOPE OF SERVICES:****SENIOR CENTER OPERATIONS**

12 Months @ \$ 686.40 rate per month= \$ 8236.80

The operation of community facilities where older individuals meet together to pursue mutual interests, receive services and/or take part in activities which will enhance their quality of life, support their independence, and encourage their continued involvement in and with the community.

Unit of Service: N/A

**DEEP EAST TEXAS COUNCIL OF GOVERNMENTS
CONTRACT FOR
OLDER AMERICANS ACT PROGRAM**

**ATTACHMENT D:
PROCEDURES FOR HANDLING CLIENT DONATIONS/CONTRIBUTIONS**

Definition of Program Income: *CFR Part 45 Section 92.25* - Program income includes income from fees for services performed, from the use or rental of real or personal property acquired with contract funds, from the sale of commodities or items fabricated under a contract agreement, and from payments of principal and interest on loans made with contract funds.

Except as otherwise provided in regulations of the Federal agency, program income does not include interest on contract funds, rebates, credits, discounts, refunds and interest earned on any of them.

Program income means gross income received by the contractor directly generated by a contract-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.

Program Income Collection: *CFR Part 45 Section 92.25* - Contractors are encouraged to earn income to defray program costs.

CFR Part 45 Section 1321.67 – SERVICE CONTRIBUTIONS. For services rendered with funding under the Older Americans Act, the area agency on aging shall assure that each service provider shall 1) Provide each older person with an opportunity to voluntarily contribute to the cost of the service; 2) Protect the privacy of each older person with respect to his or her contributions; and 3) Establish appropriate procedures to safeguard and account for all contributions.

Older Americans Act Section 315 CONSUMER CONTRIBUTIONS (b) VOLUNTARY CONTRIBUTIONS.—

(1) **IN GENERAL.**—Voluntary contributions shall be allowed and may be solicited for all services for which funds are received under this Act provided that the method of solicitation is noncoercive.

(2) **LOCAL DECISION.**—The area agency on aging shall consult with the relevant service providers and older individuals in agency's planning and service area in a State to determine the best method for accepting voluntary contributions under this subsection.

(3) **PROHIBITED ACTS.**—The area agency on aging and service providers shall not means test for any service for which contributions are accepted or deny services to any individual who does not contribute to the cost of the service.

(4) **REQUIRED ACTS.**—The area agency on aging shall ensure that each service provider will—

(A) provide each recipient with an opportunity to voluntarily contribute to the cost of the service;

(B) clearly inform each recipient that there is no obligation to contribute and that the contribution is purely voluntary;

(C) protect the privacy and confidentiality of each recipient with respect to the recipient's contribution or lack of contribution.

(D) establish appropriate procedures to safeguard and account for all contributions.

Program Income Reporting: Older Americans Act Section 315 VOLUNTARY CONTRIBUTIONS.— 40 Texas Administrative Code §84.1 RECORD KEEPING.

(1) Contractors are responsible for ensuring that each service provider maintains documentation of the following:

(A) contract documents;

(B) expenditure reports and all accounting records used to prepare the expenditure reports, including records for program income, and other cash and in-kind contributions.

Program Income Expenditure: CFR Part 45 Section 92.25(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 contractors 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. *(Please note: deductive method is not allowable for OAA programs in accordance with the program instruction issued by the Administration on Aging.)*

(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) 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.

CFR Part 45 Section 1321.73. Grant related income under Title III-C. States and subgrantees must require that their subgrantees' grant related income be used in either the matching or cost sharing alternative in 45 CFR 92.25(g)(2) or the additive alternative in Sec. 92.25(g)(3) or a combination of the two. The deductive alternative described in Sec. 92.25(g)(1) is not permitted.

40 Texas Administrative Code §83.2 (l) PROGRAM INCOME.

1) Program income contributions shall be administered in accordance with 45 Code of Federal Regulations, Part 1321.67; 45 Code of Federal Regulations, Part 92.25; and the Uniform Grant Management Standards.

(2) Cost Reimbursement. Reimbursement shall not be made in excess of actual allowable expenses less program income received during the reimbursement period.

(3) Fixed or Variable Unit Rate. Program income received shall not be deducted from the amount paid to subcontractor/service provider.

(4) Direct Purchase of Services. When an area agency on aging or other designated access and assistance service provider purchases services using the direct purchase of service methodology, program income must be collected, accounted for and used to support and enhance services provided by the area agency on aging.

Older Americans Act Section 315 VOLUNTARY CONTRIBUTIONS.— All collected contributions must be used to expand the service for which the contributions were given.

Administration on Aging Technical Assistance Brief 11/19/2001. The voluntary contributions and cost sharing fees of recipients of Title III services and interest from deposits of federal receipts may not be used as match for any Title III service, including Title III-E. These funds may only be used to expand services.

The Department classifies all funds received directly from or on the behalf of program participants as program income. In addition, any funds generated through the use of goods or services purchased with federal funds for a grant-supported activity is classified as program income. Please note, federal funds may not be used for fund raising activities (see OMB Circular A-87 and OMB Circular A-21).

Contributions received from non-program participants are classified as local funds and should not be classified as program income. Generally, a program income contribution is received at the time service is provided and is classified as income for the service provided. When a contribution is received at a time other than when the service is provided, the AAA or service providers, where possible, should determine if the contributor is a program participant or non-program participant in order to correctly classify the funds as program income or local funds. If the contributor is a program participant, the service or services received must also be determined. The verification of this information must not compromise the privacy and confidentiality of the contributor with respect to the program participant's contribution or lack of contribution. When

program income is received from a program participant who has received multiple services and the contribution does not identify for which service it be being contributed, the AAA or service provider must have a procedure that provides a consistent method of classifying the program income. Possible methods:

- classify the program income to the service most recently received by the program participant
- classify the program income to the service in which the program participant received the most units
- classify the program income on a percentage to each of the services received by the program participant

Neither the AAA nor service provider can classify contributions received to any service without regard to the services provided to the program participant.

Program income must be reported as earned in the period in which it was earned. Due to the absence of Federal requirements governing the disposition of program income earned after the final financial report for the award period (*CFR Part 45 Section 92.25(h)*) the Department requires AAAs and providers expend all program income prior to the submission of the final closeout report. As program income is earned through the final day of the contract period (September 30) and the final financial report is due two months later (November 30), AAAs and service providers may expend and report the balance of program income earned during the first two months of the following contract period.

Example: The AAA receives \$500 of program income for residential repair the last week of September and reports it as earned on the September closeout report. The AAA does not expend the \$500 in September and the closeout shows a balance of \$500 which is carried forward into the next contract year. The AAA expends the \$500 of program income for residential repairs in November.

On the quarterly report for the new contract year, the AAA will report the \$500 as program income expended in November.

When the amount of available program income is insufficient to cover a full unit cost, the AAA or service provider has two options:

1. carry over the unexpended program income into the next reporting period or
2. combine the program income funds with local funds to purchase a whole unit. The program income would be shown as expended. The local funds would be listed as "Other Local Funds Expended." Only one unit would be reported as a unit purchased with program income funds.

AAAs utilizing the Direct Purchase of Service methodology must ensure vendors provide program participants an opportunity to make voluntary contributions towards the service(s) they receive. Program income received by vendors must be used to expand the service in accordance with the requirements detailed above. Program income received by vendors can be handled through two methods:

1. AAAs may collect the program income from the vendor, record the program income and use the program income to purchase additional units from the vendor; or
2. The AAA may require the vendor report the amount of program income collected and provide documentation that supports the purchase of additional units of service for eligible clients.

Program income must be used to expand the service for which the contribution was given. Expansion of the program is defined as increased service units and/or persons served. Program income cannot be used to reduce the unit rate for a service. For example, a meal provider cannot use program income to pay for the meal site utility bill and not include the cost of utilities in the rate-setting budget. In addition, program income cannot be used to supplement a provider rate. For example, a provider whose contract or vendor rate with the AAA is \$10, but who claim their unit rate is actually \$20 cannot be reimbursed \$10 by the AAA and have the rate subsidized \$10 by program income collected.

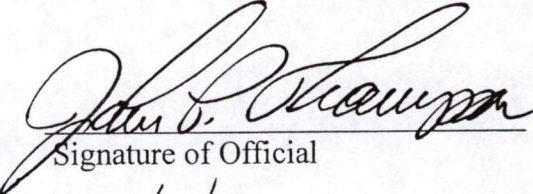
Program income generated by grant-supported activities cannot be used to purchase goods or services that are not allowed under the service. **For example**, a meal provider cannot use program income to purchase cakes or party favors for monthly birthday parties for program participants.

Program income cannot be transferred between services. **For example**, program income received for congregate meals cannot be combined with program income received for home delivered meals and be used to purchase additional home delivered meals. Following this example, program income earned under the homemaker program cannot be used to purchase units under personal assistance.

The use of program income for activities other than the purchase of units may be appropriate in certain instances for some services. AAAs and service providers who do not utilize program income to purchase units of service are required to maintain documentation regarding the expenditures and how it enhances or expands the service(s).

John P. Thompson
County Judge-Polk County, Texas

Typed Name and Title of
Authorized Official



Signature of Official

1/8/08

Date

BUDGET WORKSHEET

A	B	C	D	E	F	G	H	I	J
1	Services Other Than Nutrition								
2	AAA Name: Detcog	Contract Number:							
3	Provider Name: Polk County Government	Service: Senior Center Operations							
4	Period covered in YTD: October 1-August 31, 2007	New Contract Year: October 1, 2007 - September 30, 2008							
5	NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.								
6	Cost Area	YTD Actual Expenses	Annualized Exp. Months YTD Based on	Budgeted Exp. for New Contract Yr.	Percent Difference (Budget to Annualized)	Reason for Difference (If Over Routine Inflation Percentage - 1.02%)			
7	11								
8	1. Personnel								
9	Salaries, PR Taxes & Benefits	10,000.00	10,909.09	10,909.00	0.00%				
10	Contract staff Compensation	-	-	-	-				
11	Total	10,000.00	10,909.09	10,909.00	0.00%				
12	2. Professional Development								
13	Conference	-	-	-	-				
14	Dues	-	-	-	-				
15	Materials	-	-	-	-				
16	Total	-	-	-	-				
17	4. Equipment								
18	Depreciation	-	-	-	-				
19	Interest	-	-	-	-				
20	Leasing	-	-	-	-				
21	Maintenance	-	-	-	-				
22	Total	-	-	-	-				
23	5. Occupancy/Building								
24	Rent	-	-	-	-				
25	Utilities	5,500.00	6,000.00	5,454.55	-9.09%				
26	Depreciation	-	-	-	-				
27	Mortgage Interest	-	-	-	-				
28	Insurance	-	-	-	-				
29	Security	-	-	-	-				
30	Janitorial	-	-	-	-				
31	Repair	-	-	-	-				
32	Taxes	-	-	-	-				
33	Total	5,500.00	6,000.00	5,454.55	-9.09%				
34	6. Transportation/Travel								
35	Mileage Reimbursement	-	-	-	-				
36	Delivery	-	-	-	-				
37	Gas & Oil	-	-	-	-				
38	Repairs	-	-	-	-				
39	Insurance	-	-	-	-				
40	Depreciation/Lease	-	-	-	-				
41	Interest	-	-	-	-				
42	Tags & Licenses	-	-	-	-				
43	Total	-	-	-	-				

Service: Senior Center Operations

BUDGET WORKSHEET CALCULATION OF THE UNIT RATE

1. Total Budgeted Expenses for Contract Year 1. \$ 16,473.55
2. Total Number of Anticipated Units to be Provided
- | | | | | | | |
|---------------------------|----|----------|---|----------|---|-------|
| AAA/TDoA - Match Required | 12 | Source 3 | 0 | Source 5 | 0 | |
| AAA/TDoA - Full Unit Rate | 0 | Source 4 | 0 | Source 6 | 0 | 2. 12 |
3. Cost per unit (Line 1 divided by Line 2) - Full Unit Rate 3. \$ 1,372.80
- Reimbursement Calculation for Contracts Requiring Unit Rate Match Reduction
4. Mandatory Local Match of \$ 686.40
- ** If Applicable, Match Reduction From the In-kind Match Certification form Required Match \$ -
5. Full Unit Rate Less Required Match (Line 3 minus Line 4) 4. \$ 686.40
5. \$ 686.40
- **If any portion of the required match is in-kind, you must complete an In-Kind Match Certification form.

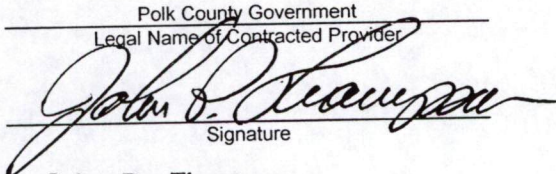
Contract Reimbursed at Full Cost Per Unit Rate. Match Requirements Will Be Met Through Provision of Additional Units

\$ 1,372.80 Contractor Initial AAA Initial

Contract Reimbursed at the Full Cost Per Unit Less Required Match.

\$ 686.40 Contractor Initial AAA Initial

Polk County Government
Legal Name of Contracted Provider


Signature

John P. Thompson
Printed/Typed Name of Signer

1/8/08
Date

Detcog
Name of Area Agency on Aging

Signature

Holly Anderson
Printed/Typed Name of Signer

Date

BUDGET WORKSHEET CERTIFICATION

AS SIGNER OF THIS BUDGET WORKSHEET, I HEREBY CERTIFY THAT:

- I have read the note below and the instructions applicable to this budget worksheet.
- I have reviewed this budget worksheet after its preparation.
- To the best of my knowledge and belief, this budget worksheet is true, correct and complete, and was prepared in accordance with the instructions applicable to this budget worksheet.
- This budget worksheet was prepared from the books and records of the contracted provider.

Note: The person legally responsible for the conduct of the contracted provider must sign this Budget Worksheet Certification. If a sole proprietor, the owner must sign the Budget Worksheet Certification. If a partnership, a partner must sign the Budget Worksheet Certification. If a corporation, the person authorized by the Board of Directors Resolution must sign the Budget Worksheet Certification. Misrepresentation of information contained in the budget worksheet may result in adverse action, up to and including contract termination. Furthermore, falsification of information in the budget worksheet may result in a referral for prosecution.

Polk County Government

Name of Contracted Provider

1/8/08

Date

John P. Thompson

Printed/Typed Name of Signer

John P. Thompson

Signature

Signer Authority:

(check one)

Sole Proprietor

Partner

Corporate Officer

Association Officer

Board Member

Governmental Official

BUDGET WORKSHEET

A	B	C	D	E	F	G	H
1	AAA/Region Name:	Detcog			Nutrition Services		
2	Provider Name:	Polk County Government			Contract Number:	Home Deliver Meals	
3	Period covered in YTD:	October 1-August 31, 2007			Service:	October 1, 2007 - September 30, 2008	
4					New Contract Year:		
5	NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.						
6							
7							
8							
9		YTD Actual	Annualized Exp. Months YTD Based on		Budgeted Exp. for New Contract Yr.	Percent Difference (Budget to Annualized)	Reason for Difference/Explanation (If Over Routine Inflation Percentage - 1.02%)
10	Cost Area	Expenses	11				
11							
12	1. Personnel						
13							
14	Salaries, PR Taxes & Benefits	106,018.63	115,656.69		105,170.17	-9.07%	Reduction of Force
15	Contract staff, Compensation	3,575.00	3,900.00		3,900.00	0.00%	
16	Total	109,593.63	119,556.69		109,070.17	-8.77%	
17							
18	2. Nutrition Education						
19	Salaries, PR Taxes & Benefits		-				
20	Contract staff, Compensation		-		1,300.00	100.00%	Nutritionist hired for F/Y 2008 to oversee meal menus to comply with new nutrient guidelines.
21	Materials		-				
22	Conference		-				
23	Total		-		1,300.00	100.00%	
24							
25	3. Professional Development						
26	Conference		-				
27	Dues		-				
28	Materials		-				
29	Total		-				
30							
31	4. Meals/Food						
32	Raw Food	28,693.00	31,301.45		31,500.00	0.63%	
33	Nutrition Supplement		-				
34	Freight		-				
35	Storage		-				
36	Consumables	8,057.60	8,790.11		8,800.00	0.11%	
37	Contracted Meals/Food		-				
38	Other		-				
39	Total	36,750.60	40,091.56		40,300.00	0.52%	
40							
41	5. Equipment						
42	Depreciation		-		2,346.82	100.00%	Replace old equipment
43	Interest		-				
44	Leasing		-				

BUDGET WORKSHEET

A	B	C	D	E	F	G	H
	AAA/Region Name:		Detcoy		Contract Number:		
	Provider Name:		Polk County Government		Service:	Home Deliver Meals	
	Period covered in YTD:		October 1-August 31, 2007		New Contract Year:	October 1, 2007 - September 30, 2008	
5	NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.						
8		YTD Actual Expenses	Annualized Exp. Months YTD Based on	11	Budgeted Exp. for New Contract Yr.	Percent Difference (Budget to Annualized)	Reason for Difference/Explanation (If Over Routine Inflation Percentage - 1.02%)
12	Maintenance	1,280.50	1,396.91	325.00	-76.73%	New equipment purchased.	
45	Total	1,280.50	1,396.91	2,671.82	91.27%		
46	6. Occupancy/Building						
47	Rent						
48	Utilities	13,664.74	14,906.99		-100.00%	Newly constructed kitchen established on County property.	
50	Depreciation						
51	Mortgage Interest				100.00%	Newly constructed kitchen established on County property.	
52	Insurance						
53	Security						
54	Janitorial						
55	Repair						
56	Taxes						
57	Total	13,664.74	14,906.99	3,321.99	-77.72%		
58	7. Transportation/Travel						
59	Mileage Reimbursement						
60	Delivery						
61	Gas & Oil	5,076.28	5,537.76	5,550.00	0.22%		
62	Repairs	1,229.78	1,341.58	1,350.00	0.63%		
63	Insurance						
64	Depreciation/Lease						
65	Interest						
66	Tags & Licenses						
67	Total	6,306.06	6,879.34	6,900.00	0.30%		
68	8. Administrative & General						
69	Advertising						
70	Printing						
71	Copying						
72	Office Supplies	503.89	549.70	550.00	0.05%		
73	Contractual Agreements						
74	Postage						
75	Telecommunications						
76							
77							
78							

BUDGET WORKSHEET

A	B	C	D	E	F	G	H
2	AAA/Region Name:	Polk County Government	Detscoj		Contract Number:		
3	Provider Name:	October 1-August 31, 2007			Service:	Home Deliver Meals	
4	Period covered in YTD:				New Contract Year:	October 1, 2007 - September 30, 2008	
5	NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.						
6							
7							
8							
9							
10		YTD Actual	Annualized Exp. Months YTD Based on	Budgeted Exp. for New Contract Yr.	Percent Difference (Budget to Annualized)	Reason for Difference/Explanation (If Over Routine Inflation Percentage - 1.02%)	
11	Cost Area	Expenses	11				
12							
79	Liability Insurance						
80	Interest-Wkg. Capital						
81	Legal Fees						
82	Accounting Fees						
83	Consulting Fees						
84	Other Fees (Explain)						
85	Audit						
86	Other Misc. (Explain)						
87	Total	503.89	549.70	550.00	0.05%		
88							
89	Total of all Cost Areas	168,099.42	183,381.19	164,113.98	-10.51%		
90	Total Number of Meals Provided	18,864	20,578.91				
91	Total Number of Anticipated Meals			30,531	48.36%	Budgeted Cost per Meal	\$5.38
92							
93							
94							
95	FY07 VS FY08	FY07	FY08	Difference	Percentage Difference	(If Over Routine Inflation Percentage - 1.02%)	
96	Whole Unit Rate	6.20	5.38	(0.82)	-13.23%		
97							
98							
99							
100							
101	DADS A&I AAA		Proposed Meals	Calculated Rate	Revenue	Proposed Meals * Calculated Units	
102	DADS - Title XX		10,872	4.90	53,273	30,571	
103	DADS - Title XIX		6,239	4.90	30,571	14,736	
104	DADS - Title XIX Managed Care		2,739	5.38	14,736	646	
105	Program Income					646	
106	Local Funds - Eligible Meals		120	5.38	646	646	
107	Local Funds - Non-Eligible Meals		10,561	5.38	56,818	56,818	
108	Local Funds - Required Match		NA	5.38	8,213	8,213	
109	Local Funds - Cap Limit Exceeded DADS & Title XX		NA	0.48	0	0	

BUDGET WORKSHEET

A	B	C	D	E	F	G	H
2	AAA/Region Name:		Detcog		Contract Number:		
3	Provider Name:	Polk County Government			Service:	Home Deliver Meals	
4	Period covered in YTD:	October 1-August 31, 2007			New Contract Year:	October 1, 2007 - September 30, 2008	
5	NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.						
6							
7							
8			Annualized Exp. Months YTD Based on	Budgeted Exp. for New Contract Yr.	Percent Difference (Budget to Annualized)	Reason for Difference/Explanation (If Over Routine Inflation Percentage - 1.02%)	
9							
10	Cost Area	YTD Actual Expenses	11				
11							
12	Local Funds - Cap Limit Exceeded Title XIX & XIX Managed Care						
110			NA			0 DADS Title XIX Proposed Meals *Calculated Rate	
111			30,531			164,257 <----This total does not include Title XIX Managed Care meals,	
112							
113							
114							
115							
116							

Estimated Number of Nutrition Education Units: 12
 Calculated Cost per Unit: 108.33
 Nutrition Education Budget: 1,300

BUDGET WORKSHEET CALCULATION OF THE PER MEAL UNIT RATE

1. Total Budgeted Expenses for Contract Year 1. \$ 164,113.98
 2. Total Number of Anticipated Meals to be Provided

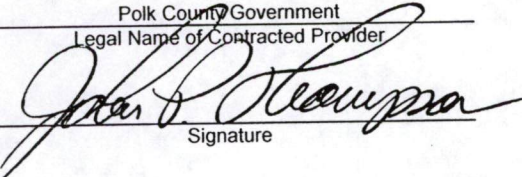
DADS A&I AAA <u>10,872</u>	Title XX <u>6,239</u>	Title XIX/Title XIX Managed Care <u>2,739</u>	
Program Income <u>120</u>	Other Eligible <u>10,561</u>	Non-Eligible <u>0</u>	2. <u>30,531</u>

3. Cost per meal (Line 1 divided by Line 2) 3. \$ 5.38

Reimbursement Calculation

	DADS A&I AAA & Title XX	Title XIX, Title XIX Managed Care
4. Projected NSIP per Meal Value	<u>0.61</u>	<u>N/A</u>
5. Rate Less NSIP per Meal Value	<u>\$ 4.77</u>	<u>N/A</u>
6. Mandatory Local Match of 10% \$ 0.48		
** If Applicable, Match Reduction From the In-kind Match Certification form \$ -		
Required Match \$ 0.48		<u>N/A</u>
7. Proposed Meal Rate (Line 3 minus Line 6)	<u>\$ 4.90</u>	<u>\$ 5.38</u>
Rate Cap Applicable to DADS A&I AAA and XX Common Providers Only	<u>\$ 4.95</u>	<u>\$ 6.12</u>
8. Excess of Cap Rate Reduction	<u>\$ -</u>	<u>\$ -</u>
DADS A&I AAA/Title XX/Title XIX/Title XIX Managed Care (Line 7 minus Line 8)	<u>\$ 4.90</u>	<u>\$ 5.38</u>

** If any portion of the required match is in-kind, you must complete an In-Kind Match Certification form.

Polk County Government
 Legal Name of Contracted Provider

 Signature

John P. Thompson
 Printed/Typed Name of Signer
 7/8/08
 Date

Detcog
 Name of Area Agency on Aging

Department on Aging and Disabilities Services
 Title XIX, Title XIX Managed Care & Title XX

Printed/Typed Name of Signer

Printed/Typed Name of Signer

Signature

Signature

Date

Date

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Polk County Government
Name of Contracted Provider

1/8/08
Date

John P. Thompson
Printed/Typed Name of Signer

John P. Thompson
Signature

Signer Authority:
(check one)

- Sole Proprietor
- Partner
- Corporate Officer

- Association Officer
- Board Member
- Governmental Official

BUDGET WORKSHEET

A	B	C	D	E	F	G	H
Nutrition Services							
1	AAA/Region Name:	Detcog			Contract Number:		
2	Provider Name:	Polk County Government			Service:	Congregate Meals	
3	Period covered in YTD:	August 2007			New Contract Year:	October 1, 2007 - September 30, 2008	
4							
5							
6	NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.						
7							
8							
9			Annualized Exp. Months YTD Based on		Percent Difference (Budget to Annualized)	Reason for Difference/Explanation (If Over Routine Inflation Percentage - 1.02%)	
10	YTD Actual Expenses	11		Budgeted Exp. for New Contract Yr.			
11	Cost Area						
12	1. Personnel						
13							
14	Salaries, PR Taxes & Benefits	57,086.96	62,276.68	56,630.10	-9.07%	Reduction of force	
15	Contract staff, Compensation	1,600.00	1,745.45	1,745.45	0.00%		
16	Total	58,686.96	64,022.14	58,375.55	-8.82%		
17	2. Nutrition Education						
18							
19	Salaries, PR Taxes & Benefits	-	-	-			
20	Contract staff, Compensation	-	-	700.00	100.00%	Nutrientist hired for FY 2008 to oversee all meal menus to comply with new nutrient guidelines.	
21	Materials	-	-				
22	Conference	-	-	700.00	100.00%		
23	Total	-	-	700.00	100.00%		
24	3. Professional Development						
25							
26	Conference	-	-				
27	Dues	-	-				
28	Materials	-	-				
29	Total	-	-				
30	4. Meals/Food						
31							
32	Raw Food	15,450.09	16,854.64	17,000.00	0.86%		
33	Nutrition Supplement	-	-				
34	Freight	-	-				
35	Storage	-	-				
36	Consumables	4,338.71	4,733.14	4,750.00	0.36%		
37	Contracted Meals/Food	-	-				
38	Other	-	-				
39	Total	19,788.80	21,587.78	21,750.00	0.75%		
40	5. Equipment						
41							
42	Depreciation	-	-	1,263.68	100.00%	Replace old equipment.	
43	Interest	-	-				
44	Leasing	-	-				

BUDGET WORKSHEET

A	B	C	D	E	F	G	H
2	AAA/Region Name:		Detcog		Contract Number:		
3	Provider Name:	Polk County Government			Service:	Congregate Meals	
4	Period covered in YTD:	August 2007			New Contract Year:	October 1, 2007 - September 30, 2008	
5							
6	NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.						
7							
8							
9			Annualized Exp. Months YTD Based on	Budgeted Exp. for New Contract Yr.	Percent Difference (Budget to Annualized)	Reason for Difference/Explanation (If Over Routine Inflation Percentage - 1.02%)	
10	YTD Actual Expenses		11				
11	Cost Area						
12	Maintenance	689.50	752.18	175.00	-76.73%	New equipment purchased	
45	Total	689.50	752.18	1,438.68	91.27%		
46							
47							
48	6. Occupancy/Building						
49	Rent						
50	Utilities	7,357.95	8,026.85	8,026.00	-0.01%		
51	Depreciation			1,788.75	100.00%	New kitchen built on County Property.	
52	Mortgage Interest						
53	Insurance						
54	Security	2,176.00	2,373.82	2,373.82	0.00%		
55	Janitorial						
56	Repair						
57	Taxes						
58	Total	9,533.95	10,400.67	12,188.57	17.19%		
59							
60	7. Transportation/Travel						
61	Mileage Reimbursement						
62	Delivery						
63	Gas & Oil	2,733.39	2,981.88	3,000.00	0.61%		
64	Repairs	662.20	722.40	725.00	0.36%		
65	Insurance						
66	Depreciation/Lease						
67	Interest						
68	Tags & Licenses						
69	Total	3,395.59	3,704.28	3,725.00	0.56%		
70							
71	8. Administrative & General						
72	Advertising						
73	Printing						
74	Copying						
75	Office Supplies	271.32	295.99	290.00	-2.02%		
76	Contractual Agreements						
77	Postage						
78	Telecommunications						
79	Liability Insurance						
80	Interest-Wkg. Capital						

BUDGET WORKSHEET

A	B	C	D	E	F	G	H
2	AAA/Region Name:				Contract Number:		
3	Provider Name:	Polk County Government			Service:	Congregate Meals	
4	Period covered in YTD:	August 2007			New Contract Year:	October 1, 2007 - September 30, 2008	
5	<p>NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.</p>						
6							
7							
8							
9			Annualized Exp. Months YTD Based on		Percent Difference (Budget to Annualized)	Reason for Difference/Explanation (If Over Routine Inflation Percentage - 1.02%)	
10		YTD Actual Expenses	11	Budgeted Exp. for New Contract Yr.			
11	Cost Area						
12							
81	Legal Fees						
82	Accounting Fees						
83	Consulting Fees						
84	Other Fees (Explain)						
85	Audit						
86	Other Misc. (Explain)			290.00	-2.02%		
87	Total	271.32		295.99			
88							
89	Total of all Cost Areas	92,366.12	100,763.04	98,467.80	-2.28%		
90	Total Number of Meals Provided	17,876	19,500.91				
91	Total Number of Anticipated Meals			19,500	0.00%		Budgeted Cost per Meal \$5.05
92							
93							
94							
95	FY07 VS FY08	FY07	FY08	Difference	Percentage Difference	Reason for Difference/Explanation (If Over Routine Inflation Percentage - 1.02%)	
96	Whole Unit Rate	6.33	5.05	(1.28)	-20.22%		
97							
98							
99							
100	Funding Source		Proposed Meals	Calculated Rate	Revenue		
101	DADS A&I AAA		10,533	4.61	48,557	Proposed Meals * Calculated Units	
102	DADS - Title XX			4.61	0	Proposed Meals * Calculated Units	
103	DADS - Title XIX			5.05	0	Proposed Meals * Calculated Units	
104	DADS - Title XIX Managed Care					Proposed Meals * Calculated Units	
105	Program Income			5.05	21,331	Proposed Meals * Calculated Units	
106	Local Funds - Eligible Meals		4,224	5.05	23,952	Proposed Meals * Calculated Units	
107	Other Funds - Non-Eligible Meals		4,743	5.05	0	Proposed Meals * Calculated Units	
108	Local Funds - Required Match		NA	0.44	4,635	DADS Proposed Meals + Title XX Proposed Meals * Calculated Rate	
109	Local Funds - Cap Limit Exceeded DADS & Title XX		NA		0	DADS Proposed Meals + Title XX Proposed Meals * Calculated Rate	
110	Local Funds - Cap Limit Exceeded Title XIX & XIX Managed Care		NA		0	DADS Title XIX Proposed Meals * Calculated Rate	
111			19,500		98,475	←-----This total does not include Title XIX Managed Care meals.	

BUDGET WORKSHEET

A	B	C	D	E	F	G	H
2	AAA/Region Name:				Contract Number:		
3	Provider Name:	Polk County Government	Detcog		Service:	Congregate Meals	
4	Period covered in YTD:	August 2007	August 2007		New Contract Year:	October 1, 2007 - September 30, 2008	
5	NOTE: You must identify the number of months the YTD actual expenses are based on in Column D, under "Annualized Exp. Months YTD Based on." The worksheet is currently set at 8 months.						
6							
7							
8							
9			Annualized Exp. Months YTD Based on				
10		YTD Actual Expenses	11	Budgeted Exp. for New Contract Yr.	Percent Difference (Budget to Annualized)	Reason for Difference/Explanation (If Over Routine Inflation Percentages - 1.02%)	
11	Cost Area						
12							
112							
113							
114							
115			Estimated Number of Nutrition Education Units	Calculated Cost per Unit	Nutrition Education Budget		
116			12	58.33	700		

BUDGET WORKSHEET CALCULATION OF THE PER MEAL UNIT RATE

1. Total Budgeted Expenses for Contract Year 1. \$ 98,467.80
 2. Total Number of Anticipated Meals to be Provided

DADS A&I AAA <u>10,533</u>	Title XX <u>0</u>	Title XIX/Title XIX Managed Care <u>0</u>	
Program Income <u>4,224</u>	Other Eligible <u>4,743</u>	Non-Eligible <u>0</u>	2. <u>19,500</u>

3. Cost per meal (Line 1 divided by Line 2) 3. \$ 5.05

Reimbursement Calculation

	DADS A&I AAA & Title XX	Title XIX, Title XIX Managed Care	
4. Projected NSIP per Meal Value	<u>0.61</u>	N/A	
5. Rate Less NSIP per Meal Value	\$ <u>4.44</u>	N/A	
6. Mandatory Local Match of 10% \$ <u>0.44</u>			
** If Applicable, Match Reduction From the In-kind Match Certification form \$ <u>-</u>			
Required Match	\$ <u>0.44</u>	N/A	
7. Proposed Meal Rate (Line 3 minus Line 6)	\$ <u>4.61</u>	\$ <u>5.05</u>	
Rate Cap Applicable to DADS A&I AAA and XX Common Providers Only	\$ <u>4.95</u>	\$ <u>6.12</u>	
8. Excess of Cap Rate Reduction	\$ <u>-</u>	\$ <u>-</u>	
DADS A&I AAA/Title XX/Title XIX/Title XIX Managed Care (Line 7 minus Line 8)	\$ <u>4.61</u>	\$ <u>5.05</u>	

** If any portion of the required match is in-kind, you must complete an In-Kind Match Certification form.

Polk County Government
 Legal Name of Contracted Provider

 Signature

Detcog
 Name of Area Agency on Aging

Printed/Typed Name of Signer

Signature

Date

John P. Thompson
 Printed/Typed Name of Signer

1/8/08
 Date

Department on Aging and Disabilities Services

Title XIX, Title XIX Managed Care & Title XX

Printed/Typed Name of Signer

Signature

Date

BUDGET WORKSHEET CERTIFICATION

AS SIGNER OF THIS BUDGET WORKSHEET, I HEREBY CERTIFY THAT:

- I have read the note below and the instructions applicable to this budget worksheet.
- I have reviewed this budget worksheet after its preparation.
- To the best of my knowledge and belief, this budget worksheet is true, correct and complete, and was prepared in accordance with the instructions applicable to this budget worksheet.
- This budget worksheet was prepared from the books and records of the contracted provider.

Note: The person legally responsible for the conduct of the contracted provider must sign this Budget Worksheet Certification. If a sole proprietor, the owner must sign the Budget Worksheet Certification. If a partnership, a partner must sign the Budget Worksheet Certification. If a corporation, the person authorized by the Board of Directors Resolution must sign the Budget Worksheet Certification. Misrepresentation of information contained in the budget worksheet may result in adverse action, up to and including contract termination. Furthermore, falsification of information in the budget worksheet may result in a referral for prosecution.

Polk County Government
Name of Contracted Provider

1/8/08
Date

John P. Thompson
Printed/Typed Name of Signer

John P. Thompson
Signature

- Signer Authority: (check one)
- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor | <input type="checkbox"/> Association Officer |
| <input type="checkbox"/> Partner | <input type="checkbox"/> Board Member |
| <input type="checkbox"/> Corporate Officer | <input checked="" type="checkbox"/> Governmental Official |

IN-KIND MATCH CERTIFICATION

Provider: Polk County Government

In-kind Contribution(s): \$0

For any item identified below, you must maintain support documentation.

ITEM	DATE OF RECEIPT	VALUE
TOTAL		\$0

Note: All contributions must meet the requirements of IRS Publication 561
<http://www.irs.gov/pub/irs-pdf/p561.pdf>

Examples of Documentation Include:

- Rent:
1. Letter of Agreement with Owner
 2. Adequate Valuation of Property on a Current Basis (this should be reviewed at least every two years and if senior center, based on property value and center participation)

- Labor:
1. Minimum wage
 2. Documented prevailing wage in the Area. For prevailing wage information visit the Texas Workforce Commission's website at <http://www.tracer2.com/>.

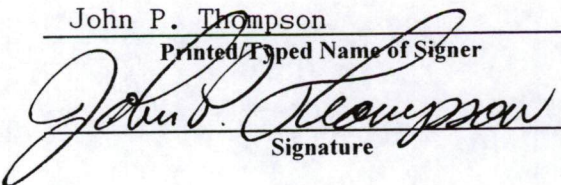
All in-kind labor must be required for the service to be provided. If you would not hire someone to perform the labor if it were not in-kind then you cannot count it.

- Utilities:
1. Copy of Bill
 2. Agreement of Amount Paid if Partial

Polk County Government
Name of Contracted Provider

1/8/08
Date

John P. Thompson
Printed/Typed Name of Signer


Signature