

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter “County”) and:
KEVIN W. HARPER CPA & ASSOCIATES

(hereinafter “CONTRACTOR”).

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: federal subrecipient monitoring services, Federal audit and compliance consultation services, and training to staff for the Department of Social Services.

2.0 PAYMENT PROVISIONS:

2.1 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: \$ **103,850.00**

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from May 21, 2024 to June 30, 2027, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: see page 11(a) for list of exhibits

5.0 PERFORMANCE STANDARDS:

- 5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.
- 5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- 5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

- 6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.
- 6.03 Invoice amounts shall be billed directly to the ordering department.
- 6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.
- 6.05 The Parties agree that CONTRACTOR and its subcontractors shall be reimbursed for mileage based upon the Internal Revenue Service (IRS) standard business mileage rate at the time of travel.

7.0 TERMINATION:

- 7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

- 7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.
- 7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

~~CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.~~

See **Exhibit E** - Modification to Standard Agreement

9.0 INSURANCE REQUIREMENTS:

- 9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

- 9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

DS
KH

Contractor

County

- 9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence, and \$2,000,000 in the aggregate.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Waiver of Subrogation:

CONTRACTOR hereby grants to County a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the County by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

- 10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.
- 10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.
- 10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

- 10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION:

- 11.1 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

- 13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.
- 13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.
- 13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers’ compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR’s performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR’s failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR’S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Lori A. Medina, Director	Kevin W. Harper, CPA
Name and Title	Name and Title
1000 S. Main St., Suite 301, Salinas, CA 93901	461 2nd Street #302, San Francisco, CA 94107
Address	Address
831-755-4430	510-593-5037
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term “CONTRACTOR” as used in this Agreement includes

CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

- 16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.
- 16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.
- 16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 **CONSENT TO USE OF ELECTRONIC SIGNATURES.**

17.1 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.2 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.3 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

***** THIS SECTION INTENTIONALLY LEFT BLANK *****

18.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

Kevin W. Harper CPA & Associates

By:

Contracts/Purchasing Officer

Date:

By:

Department Head (if applicable)

Date:

Approved as to Form
County Counsel
Susan K. Blicht, Acting County Counsel

By:

Anne Breton, County Counsel
County Counsel

Date:

4/30/2024 | 2:37 PM PDT

Approved as to Fiscal Provisions

By:

Patricia Ruiz
Auditor/Controller

Date:

5/2/2024 | 9:29 AM PDT

Approved as to Liability Provisions
Office of the County Counsel-Risk Management

By:

David Bolton
David Bolton, Risk Manager

Date:

5/2/2024 | 8:59 AM PDT

Contractor/Business Name *

By:

Kevin Harper

(Signature of Chair, President, or Vice-President)

Kevin Harper, owner

Date:

4/24/2024 | 11:31 PM PDT
Name and Title

By:

(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Date:

Name and Title

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

¹ Approval by County Counsel is required

² Approval by Auditor-Controller is required

³ Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

LIST OF EXHIBITS

Kevin W. Harper CPA & Associates

Exhibit A	Scope of Services/Payment Provisions
Exhibit A-1	Area Agency on Aging Sub-Contractor Audit Requirements
Exhibit B	DSS Additional Provisions
Exhibit C	Budget
Exhibit D	Invoice
Exhibit E	Modification to Standard Agreement
Exhibit F	All County Letter (ACL) No. 19-65E
Exhibit G	Certification Regarding Lobbying

SCOPE OF SERVICES/PAYMENT PROVISIONS

MONTEREY COUNTY DEPARTMENT OF SOCIAL SERVICES
and
KEVIN W. HARPER CPA & ASSOCIATES
May 21, 2024 through June 30, 2027

I. CONTACT INFORMATION

Contractor: **Kevin W. Harper, CPA**
461 2nd Street #302
San Francisco, CA 94107
(510) 593-5037
e-mail: kharper@kevinharpercpa.com

County Contact: **Rocco Cusenza**
Finance Manager II
1000 South Main Street, Suite 306
Salinas, CA 93901
(831) 755-5501
e-mail: cusenzara@countyofmonterey.gov

II. CONTRACT AWARD INFORMATION

Subward: N/A
Contractor UEI Number: FW55FD3CE316
Federal Award Identification Number (FAIN): N/A
Date County Awarded Funding: N/A
CFDA Passthrough Information and Dollar Amount: N/A
Federal Award Description: N/A
Research and Development: N/A
Indirect Cost Rate: N/A

III. SCOPE OF WORK

CONTRACTOR shall provide services and staff to perform the work, as requested by the County, up to the total amount budgeted in **Exhibit C**, as set forth below:

A. Project Administration:

1. Planning:
 - a. Meet with County management to re-evaluate project goals and status of compliance with Uniform Guidance.
 - b. Request and review documents including list of subrecipients and standard subgrant agreement.

- c. Finalize communication protocols.

B. Administrative Requirements:

1. Ensure all assigned audit staff possess the proper licensing and requisite experience and knowledge in the areas of Social Services and other Program Areas requested for review in order to properly assess and conduct subrecipient monitoring requirements in those areas.
2. Coordinate with other County Departments, as requested by County, when there is a common subrecipient between major program areas. Social Services may connect with other County departments regarding reviews on shared subrecipients, on a case-by-case basis.

C. Federal Subrecipient Monitoring Services:

1. Conduct initial assessments of all agreements to determine proper classification of subrecipient vs. contractor and for any new subrecipients on an ongoing basis. Conduct financial risk assessments for all subrecipients, including community-based organizations with County General Funds.
2. May Conduct financial reviews of all Area Agency on Aging subrecipients' audit reports; completing a summary worksheet on each subrecipient. The County has a template that the State has approved, however if CONTRACTOR wants to use a different format, County must approve format. See **Exhibit A-1** for California Department of Aging criteria for Area Agency on Aging's subrecipients.
3. Prepare an overall Fiscal Year Summary worksheet of results from the financial reviews performed of all Area Agency on Aging subcontractors. The Summary worksheet shall include, but not be limited to, contract amounts, amounts resolved, amounts of match verified, if applicable; resolution of variances recovered amounts, whether an audit was relied upon or if an independent expense verification review (alternative procedures) was performed on the subcontractor in making a determination, whether audit findings were issued; and, if applicable, issuance date of the management letter, and any communication or follow-up performed to resolve the findings.
4. May conduct annual Fiscal desk review/monitoring of subrecipients as requested by County.

EXHIBIT A

5. May conduct annual fiscal on-site monitoring reviews of "high risk" subrecipients including testing for suspension and debarment.
6. May Conduct bi-annual fiscal on-site monitoring reviews for moderate to low risk subrecipients or as necessary.
7. Coordinate reporting, assessment and monitoring requirements with respective staff and management prior to conducting reviews and visits as required.
8. Prepare a Fiscal Summary of results, from both on-site and desk reviews performed, of all subcontractors requested as determined in the above County process. The Summaries shall be separated between Social Services, Community Action Partnership, and Area Agency on Aging, if possible. The Summary worksheet shall include, but not limited to: date of the review, type and amount of program funding, date of letter sent to contractor of results, resolution of any findings, and any communication or follow-up performed to resolve the findings.
9. Assist management with timely adherence to follow up on Management Decision issuances, corrective action requirements for deficiencies and other audit findings for its subrecipients.

D. Federal Audit and Compliance Consultation Services:

1. Conduct up to two (2) Uniform Guidance training sessions per year to staff involved with subrecipient and contract monitoring activities.
2. Consult with each major program area to review application of federal subrecipient program requirements, as requested by County.
3. Assist with federal pre-award issuance compliance requirements and internal procedures and controls as they pertain to federal programs.
4. Provide control environment consultation and assistance in development and monitoring of internal structures and procedures to ensure internal controls are in place for proper monitoring of subrecipients.
5. Review existing contract monitoring tools and assist in updating monitoring tools and template development.
6. Review existing, and assist with development of, subrecipient monitoring policies and procedures.

EXHIBIT A

7. Provide training to program staff on how to do a performance risk assessments for all subrecipients, including community-based organizations funded with County General Funds.
8. Provide training to Fiscal staff on fiscal risk assessments for all (new) subrecipients, as requested by County.

E. FNS 209 Report Validation Process

1. Contractor shall validate the FNS 209 Report as per **Exhibit F**, All County Letter (ACL) 19-65E.
2. Contractor shall conduct Accountability Test 1 using reports/backup documentation supplied by the County:
 - a) FNS 209 Line 3b Backup Report
 - b) FNS 209 detailed report Lines 4 – 20
 - c) SARS FNS 209
3. Contractor shall conduct Accountability Test 2 using reports/backup documentation supplied by the County:
 - a) SARS FNS 209
 - b) FNS 209 detailed backup report Lines 13 Ending Balance
4. County shall provide documents for Fiscal Year 2023 at the execution of this contract with a due date of forty-five (45) days from date of receipt.
5. County shall provide documents by August 1st and contractor shall return by September 15th, annually.

F. Additional Financial Reviews

CONTRACTOR shall complete additional Financial Reviews as requested by the County.

IV. REPORTING

- A. CONTRACTOR shall submit an invoice to the County no later than the 10th day of the month for services rendered in the previous month with a breakdown of services in accordance with **Exhibit C**, Budget.
- B. CONTRACTOR shall provide status report of results on financial reviews and monitoring of subrecipients in accordance with **Exhibit A**, Section III, C.

EXHIBIT A

V. RATE OF PAYMENT

- A. CONTRACTOR shall invoice in accordance with the hourly rates listed below.
- B. CONTRACTOR shall guarantee the hourly rates below throughout the term of this agreement.

1. Partner	\$265
2. Manager	\$180
3. Senior Auditor	\$155
4. Staff Auditor	\$115
5. Paraprofessional	\$85

VI. INVOICE/PAYMENT PROVISIONS

- A. County shall pay CONTRACTOR per the terms set forth in **Exhibit B**, DSS Additional Provisions, Section 1, PAYMENT BY COUNTY.
- B. CONTRACTOR shall submit monthly itemized invoices of actual costs incurred to the County no later than the 10th day of the month for services rendered in the previous month with a breakdown of services in accordance with **Exhibit C**.
- C. The invoice shall be submitted in the format presented in **Exhibit D**.
- D. The maximum amount payable by County to CONTRACTOR under the terms of this agreement shall not exceed **one hundred three thousand, eight hundred fifty dollars (\$103,850)** per **Exhibit C**, Budget.

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AREA AGENCY ON AGING SUB-CONTRACTOR AUDIT REQUIREMENTS

County of Monterey is mostly a pass-through agency for California Department of Aging's (CDA) various funding sources. Below are the guidelines from California Department of Aging's agreement to the County. References to the County in this exhibit will represent Monterey County Department of Social Services. County's contractor Kevin W. Harper, CPA shall assist the County in complying with State guidelines around the monitoring of subrecipients through the tasks described in this Agreement.

- A. The State of California Department of Aging has disclosed in their State agreement that the COUNTY shall have the responsibility for resolving its contracts with subcontractors to determine whether funds provided under this Agreement are expended in accordance with applicable laws, regulations, and provisions of contracts or agreements.

Contract resolution includes:

1. Ensuring that subcontractors expending \$750,000 or more in federal awards during subcontractor's fiscal year have met the audit requirements of 2 CFR 200.501 – 200.521 and 45 CFR 75.501 – 75.521 as summarized in Section A and B of this exhibit.
2. Issuing a management decision on audit findings within six (6) months after receipt of the subcontractor's single audit report and ensuring that the subcontractor takes appropriate and timely corrective action.
3. Reconciling expenditures reported to the COUNTY to the amounts identified in the single audit or other type of audit if the subcontractor was not subject to the single audit requirements. For a subcontractor who was not required to obtain a single audit and did not obtain another type of audit, the reconciliation of expenditures reported to CDA must be accomplished through performing alternative procedures (e.g., risk assessment [2 CFR 200.331 and 45 CFR 75.352], documented review of financial statements, and documented expense verification, including match, etc. [See Monterey County Audit Exhibit for further specific requirements]).
4. When alternative procedures are used, the COUNTY shall perform financial management system testing, which provides, in part, for the following:
 - a. Accurate, current, and complete disclosure of the financial results of each federal award or program.
 - b. Records that identify adequately the source and application of funds for each federally funded activity.
 - c. Effective control over, and accountability for, all funds, property, and other assets to ensure these items are used solely for authorized purposes.
 - d. Comparison of expenditures with budget amounts for each federal award.
 - e. Written procedures to implement the requirements of 2 CFR 200.305 and 45 CFR 75.305.
 - f. Written procedures for determining the allowability of costs in accordance with 2 CFR Part 200, Subpart E – Cost Principles and 45 CFR Part 75, Subpart E – Cost Principles.

[2CFR 200.302 and 45 CFR 75.302]

EXHIBIT A-1

5. The COUNTY shall document system and expense testing to show an acceptable level of reliability, including a review of actual source documents.
 6. Determining whether the results of the reconciliations performed necessitate adjustment of the COUNTY's own records.
- B. The COUNTY shall ensure that the subcontractor single audit reports meet 2 CFR 200, Subpart F – Audit Requirements and 45 CFR 75, Subpart F – Audit Requirements requirements:
1. Performed timely – not less frequently than annually and a report submitted timely. The audit is required to be submitted within thirty (30) days after receipt of the Auditor's report or nine (9) months after the end of the audit period, whichever occurs first. [2 CFR 200.512 and 45 CFR 75.512].
 2. Properly procured – use procurement standards for auditor selection. [2 CFR 200.509 and 45 CFR 75.509].
 3. Performed in accordance with Generally Accepted Government Auditing Standards. [2 CFR 200.514 and 45 CFR 75.514]
 4. All inclusive – includes an opinion (or disclaimer of opinion) of the financial statements; a report on internal control related to the financial statements and major programs; and opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts; and the schedule of findings and questioned costs. [2 CFR 200.515 and 45 CFR 75.515].
 5. Performed in accordance with provisions applicable to this program as identified in 2 CFR 200, Subpart F Audit Requirements and 45 CFR Part 75, Subpart F – Audit Requirements.
- C. Requirements identified in Sections A and B of this Exhibit shall be included in contracts with the subcontractor. Further, the subcontractor shall be required to include in its contract with the independent Auditor that the Auditor will comply with all applicable audit requirements/standards; CDA shall have access to all audit reports and supporting work papers, and CDA has the option to perform additional work, as needed.
- D. The COUNTY shall prepare a summary worksheet of results from the contract resolutions performed of all subcontractors. The Summary worksheet shall include, but not limited to, contract amounts; amounts resolved; amounts of match verified; resolution of variances recovered amounts; whether an audit was relied upon or the COUNTY performed an independent expense verification review (alternative procedures) of the subcontractor in making a determination; whether audit findings were issued; and, if applicable, issuance date of the management letter; and any communication or follow-up performed to resolve the findings.
- E. A reasonably proportionate share of the costs of audits required by, and performed in accordance with the Single Audit Act Amendments of 1996, as implemented by requirements of this part, are allowable. However, the following audit costs are unallowable:

EXHIBIT A-1

1. Any costs when audits required by the Single Audit Act, 2 CFR 200, Subpart F – Audit Requirements and 45 CFR 75, Subpart F – Audit Requirements have not been conducted or have been conducted but not in accordance therewith; and
2. Any costs of auditing a non-federal entity that is exempted from having an audit conducted under the Single Audit, 2 CFR 200, Subpart F Audit Requirements and 45 CFR 75, Subpart F – Audit Requirements because its expenditures under federal awards are less than \$750,000 during the non-federal entity’s fiscal year.
 - a. The costs of financial statement audit of a non-federal entity that does not currently have a federal award may be included in the indirect cost pool for a cost allocation plan or indirect cost proposal.
 - b. Pass-through entities may charge federal awards for the cost of agreed-upon-procedures engagements to monitor subcontractors who are exempted from the requirements of the Single Audit Act, 2 CFR 200, Subpart F – Audit Requirements and 45 CFR 75, Subpart F – Audit Requirements. This cost is allowable only if the agreed-upon procedures engagements are conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS) attestation standards, paid for and arranged by the pass-through entity, and limited in scope to one or more of the following types of compliance requirements: activities allowed or not allowed; allowable costs/cost principles; eligibility; and reporting. [2 CFR 200.425 and 75 CFR 75.425]
- F. The COUNTY shall cooperate with and participate in any further audits which may be required by the State.

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**MONTEREY COUNTY
DEPARTMENT OF SOCIAL SERVICES**

ADDITIONAL PROVISIONS

I. PAYMENT BY COUNTY:

1.01 Monthly claims/invoices by CONTRACTOR: Not later than the tenth (10th) day of each month, CONTRACTOR shall submit to COUNTY a signed invoice setting forth the amount claimed. All invoices (monthly and final) shall be submitted in the form set forth in **Exhibit D**.

1.02 Final Invoice; forfeiture for late invoice: CONTRACTOR's final month and end of fiscal year invoice is due, and must be received by COUNTY, no later than close of business on **July 10th**. **If the Final Invoice is not received by COUNTY by close of business on July 10th. CONTRACTOR understands and agrees that the reimbursement of CONTRACTOR's final expenses represented by that invoice may be forfeited, and COUNTY shall have no legal obligation regarding it, nor shall COUNTY be required to make any payment towards that untimely/late invoiced claim.**

1.03 Allowable Costs:

a) Allowable costs shall be the CONTRACTOR's actual costs of developing, supervising and delivering the services under this Agreement, as set forth in **Exhibit C**. Only the costs listed in **Exhibit C** as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of 45 Code of Federal Regulations, Part 74, Sub-Part F and 48 Code of Federal Regulations (CFR), Chapter 1, Part 31.

b) Allowable costs for travel expenses incurred while providing services under this Agreement, as set forth in **Exhibit C**, must follow the Monterey County Auditor/Controller's Travel Policy www.co.monterey.ca.us/govenment/departments-a-h/auditor-controller/policies-and-procedures and should be invoiced the current per diem rates for lodging, meals, and mileage up to the rates listed online at www.irs.gov.

1.04 Cost Control: CONTRACTOR shall not exceed by more than twenty (20) percent any contract expense line item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget with its request for such approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this contract. Therefore, an increase in one-line item will require corresponding decreases in other line items.

1.05 Payment in Full:

(a) If COUNTY certifies and pays the amount requested by CONTRACTOR, such payment shall be deemed payment in full for the month in question and may not thereafter be reviewed or modified, except to permit COUNTY's recovery of overpayments.

(b) If COUNTY certifies and pays a lesser amount than the amount requested, COUNTY shall, immediately upon certification of the lesser amount, notify CONTRACTOR in writing of such certification. If CONTRACTOR does not protest the lesser amount by delivering to COUNTY a written notice of protest within twenty (20) days after CONTRACTOR's receipt of the certification, then payment of the lesser amount shall be deemed payment in full for the month in question and may not thereafter be questioned by CONTRACTOR.

1.06 Disputed payment amount: If COUNTY pays a lesser amount than the amount requested, and if CONTRACTOR submits a written notice of protest to COUNTY within twenty (20) days after CONTRACTOR's receipt of the certification, then the parties shall promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such dispute until the parties have met and attempted to resolve the dispute in person.

II. PERFORMANCE STANDARDS & COMPLIANCE

2.01 Outcome objectives and performance standards: CONTRACTOR shall for the entire term of this Agreement provide the service outcomes set forth in **Exhibit A**. CONTRACTOR shall meet the contracted level of service and the specified performance standards described in **Exhibit A**, unless prevented from doing so by circumstances beyond CONTRACTOR's control, including but not limited to, natural disasters, fire, theft, and shortages of necessary supplies or materials due to labor disputes.

2.02 County monitoring of services: COUNTY shall monitor services provided under this Agreement in order to evaluate the effectiveness and quality of services provided.

2.03 Notice of defective performance: COUNTY shall notify CONTRACTOR in writing within thirty (30) days after discovering any defects in CONTRACTOR's performance. CONTRACTOR shall promptly take action to correct the problem and to prevent its recurrence. Such corrective action shall be completed and a written report made to the COUNTY concerning such action not later than thirty (30) days after the date of the COUNTY's written notice to CONTRACTOR.

2.04 Termination for cause: Notwithstanding Section 7.02 of the Agreement, if the corrective actions required above are not completed and the report to the COUNTY not made within thirty (30) days, the COUNTY may terminate this Agreement by giving five (5) days' written notice to CONTRACTOR.

2.05 Remedies for Inadequate Service Levels:

- a) For each month that service falls below 80% of the contracted level, CONTRACTOR shall submit to the COUNTY an analysis of the causes of the problem and any necessary actions to be taken to correct the problem. If the problem continues for another month, the COUNTY shall meet with CONTRACTOR to explore the problem and develop an appropriate written corrective action plan with appropriate time frames.

- b) If CONTRACTOR does not carry out the required corrective action within the time frame specified, sanctions shall be applied in accordance with funding source regulations.
- c) Notwithstanding Section 7.02 of the Agreement, if, after the COUNTY notifies CONTRACTOR of any sanctions to be imposed, CONTRACTOR continues in its failure to take corrective action, then COUNTY may terminate this contract by giving CONTRACTOR five (5) days' written notice.
- d) If all appropriate corrective actions are taken but service still falls 80% or more below contracted level, COUNTY and CONTRACTOR may renegotiate the contracted level of service.

2.06 Training for Staff: CONTRACTOR shall insure that sufficient training is provided to its volunteer and paid staff to enable them to perform effectively on the project, and to increase their existing level of skills. Additionally, CONTRACTOR shall ensure that all staff completes Division 21 Civil Rights training.

2.07 Bi-lingual Services: CONTRACTOR shall ensure that qualified staff is available to accommodate non-English speaking, and limited English proficient, individuals.

2.08 Assurance of drug free-workplace: CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, Government Code sections 8350 et seq., by doing the following:

- Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace and specifying the actions that will be taken against employees for violations of the prohibition;
- Establishing a drug-free awareness program to inform employees about all of the following:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the organization's policy of maintaining a drug-free workplace;
 - 3) any available drug counseling, rehabilitation, and employee assistance programs;
 - 4) the penalties that may be imposed upon employees for drug abuse violations;
 - 5) requiring that each employee engaged in the performance of the contract or grant be given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

III. CONFIDENTIALITY

CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with Welfare and Institutions (W & I) Code Sec. 10850, 45 CFR Sec. 205.50, and all other applicable provisions of law which provide for the confidentiality of records and prohibit their being opened for examination for any purpose not directly connected with the administration of public social services. Whether or not covered by W&I Code Sec. 10850 or by 45 CFR Sec. 205.50, confidential medical or personnel records and the identities of

clients and complainants shall not be disclosed unless there is proper consent to such disclosure or a court order requiring disclosure. Confidential information gained by CONTRACTOR from access to any such records, and from contact with its clients and complainants, shall be used by CONTRACTOR only in connection with its conduct of the program under this Agreement. The COUNTY, through the Director of the Department of Social Services, and his/her representatives, shall have access to such confidential information and records to the extent allowed by law, and such information and records in the hands of the COUNTY shall remain confidential and may be disclosed only as permitted by law.

IV. NON-DISCRIMINATION

CONTRACTOR certifies that to the best of its ability and knowledge it will comply with the nondiscrimination program requirements set forth in this Section.

4.01 Discrimination Defined: The term “discrimination” as used in this contract, is the same term that is used in Monterey County Code, Chapter 2.80 “Procedures for Investigation and Resolution of Discrimination Complaints”; it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or other discriminatory practice by any Monterey County official, employee or agent, due to an individual’s race, color, ethnic group, national origin, ancestry, religious creed, sex, sexual orientation, age, veteran’s status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

4.02 Application of Monterey COUNTY Code Chapter 2.80: The provisions of Monterey COUNTY Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. Complaints of discrimination made by CONTRACTOR against the COUNTY, or by recipients of services against CONTRACTOR, may be pursued using the procedures established by Chapter 2.80. CONTRACTOR shall establish and follow its own written procedures for the prompt and fair resolution of discrimination complaints made against CONTRACTOR by its own employees and agents, and shall provide a copy of such procedures to COUNTY on demand by COUNTY.

4.03 Compliance with laws: During the performance of this Agreement, CONTRACTOR shall comply with all applicable federal, state and local laws and regulations which prohibit discrimination, including but not limited to the following:

- **California Fair Employment and Housing Act**, California Government Code Sec. 12900 et seq., see especially Section 12940 (c), (h), (1), (i), and (j); and the administrative regulations issued thereunder, 2 Calif. Code of Regulations Secs. 7285.0 et seq. (Division 4 - Fair Employment and Housing Commission);
- **California Government Code Secs. 11135 - 11139.5**, as amended (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and

regulations issued under these sections; including **Title 22 California Code of Regulations 98000-98413**.

- **Federal Civil Rights Acts of 1964 and 1991** (see especially Title VI, 42 USC Secs. 2000d et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 CFR Part 80);
- **The Rehabilitation Act of 1973**, Secs. 503 and 504 (29 USC Sec. 793 and 794), as amended; all requirements imposed by the applicable HHS regulations (45 CFR Parts 80, 84 and 91); and all guidelines and interpretations issued pursuant thereto;
- **7 Code of Federal Regulations (CFR)**, Part 15 and **28 CFR** Part 42;
- **Title II of the Americans with Disabilities Act of 1990** (P.L. 101-336), 42 U.S.C. Secs. 12101 et seq. and 47 U.S.C. Secs. 225 and 611, and any federal regulations issued pursuant thereto (see 24 CFR Chapter 1; 28 CFR Parts 35 and 36; 29 CFR Parts 1602, 1627, and 1630; and 36 CFR Part 1191);
- **Unruh Civil Rights Act**, Calif. Civil Code Sec. 51 et seq., as amended;
- **Monterey COUNTY Code**, Chap. 2.80.;
- **Age Discrimination in Employment Act 1975**, as amended (**ADEA**), 29 U.S.C. Secs 621 et seq.;
- **Equal Pay Act of 1963**, 29 U.S.C. Sec. 206(d);
- **California Equal Pay Act**, Labor Code Sec.1197.5.
- **California Government Code** Section 4450;
- **The Dymally-Alatorre Bilingual Services Act; Calif. Government Code Sec. 7290 et seq.**
- **The Food Stamp Act of 1977**, as amended and in particular **Section 272.6**.
- **California Code of Regulations, Title 24, Section 3105A(e)**
- **Removal of Barriers to Inter-Ethnic Adoption Act of 1996, Section 1808**

4.04 Written assurances: Upon request by COUNTY, CONTRACTOR will give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973 and/or the Americans with Disabilities Act of 1990, as may be required by the federal government in connection with this Agreement, pursuant to 45 CFR

Sec. 80.4 or 45 CFR Sec. 84.5, and 91; 7 CFR Part 15; and 28 CFR Part 35, or other applicable State or federal regulation.

4.05 Written non-discrimination policy: Contractor shall maintain a written statement of its non-discrimination policies which shall be consistent with the terms of this Agreement. Such statement shall be available to employees, recipients of services, and members of the public, upon request.

4.06 Grievance Information: CONTRACTOR shall advise applicants who are denied CONTRACTOR's services, and recipients who do receive services, of their right to present grievances, and of their right to a State hearing concerning services received under this Agreement.

4.07 Notice to Labor Unions: CONTRACTOR shall give written notice of its obligations under paragraphs 4.01 - 4.08 to labor organizations with which it has a collective bargaining or other agreement.

4.08 Access to records by government agencies: CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing, and any state agency providing funds for this Agreement, upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these non-discrimination provisions.

4.09 Binding on Subcontractors: The provisions of paragraphs 4.01 - 4.08 shall also apply to all of CONTRACTOR's subcontractors. CONTRACTOR shall include the non-discrimination and compliance provisions of these paragraphs in all subcontracts to perform work or provide services under this Agreement.

V. ADDITIONAL REQUIREMENTS

5.01 Covenant Against Contingent Fees: CONTRACTOR warrants that no person or selling agency has been employed or retained to solicit this Agreement. There has been no agreement to make commission payments in order to obtain this Agreement. For breach or violation of this warranty, COUNTY shall have the right to terminate this Agreement without liability or, at its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingency fee.

5.02 Debarment, Suspension and Fraud, and Abuse: CONTRACTOR certifies to the best of its knowledge and belief, that it and any subcontractors:

- a) Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or State department or agency.
- b) Have not, within a three-year period preceding this Agreement, been convicted of, or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain,

- or performing a public (federal, State, or local) transaction or contract under a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- c) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity (federal, State, or local) with commission of any of the offenses in 5.02(b).
 - d) Have not, within a three-year period preceding this Agreement, had one or more public transactions (federal, State, or local) terminated for cause or default.

CONTRACTOR shall report immediately to COUNTY in writing, any incidents of alleged fraud and/or abuse by either CONTRACTOR or its subcontractors.

CONTRACTOR shall maintain any records, documents, or other evidence of fraud and abuse until otherwise notified by COUNTY.

CONTRACTOR agrees to timely execute any and all amendments to this Agreement or other required documentation relating to the debarment/suspension status of any subcontractors.

VI. CONTRACT ADMINISTRATORS

6.01 Contract Administrator – CONTRACTOR: CONTRACTOR hereby designates **Kevin W. Harper** as its Contract Administrator for this Agreement. All matters concerning this Agreement which are within the responsibility of CONTRACTOR shall be under the direction of, or shall be submitted to, the CONTRACTOR's Contract Administrator. CONTRACTOR may, in its sole discretion, change its designation of the Contract Administrator, and shall promptly give written notice to COUNTY of any such change.

6.02 Contract Administrator – COUNTY: COUNTY hereby designates the Director of the Monterey County Department of Social Services as its Contract Administrator for this Agreement. All matters concerning this Agreement which are within the responsibility of COUNTY shall be under the direction of, or shall be submitted to, the Director or such other COUNTY employee in the Department of Social Services as the Director may appoint. COUNTY may, in its sole discretion, change its designation of the Contract Administrator, and shall promptly give written notice to CONTRACTOR of any such change.

VII. CONTRACT DEPENDENT ON GOVERNMENT FUNDING

COUNTY's payments to CONTRACTOR under this Agreement are funded by the State and Federal governments. If funds from State and Federal sources are not obtained and continued at a level sufficient to allow for COUNTY's purchase of the indicated quantity of services, then COUNTY may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as COUNTY may specify in its notice, unless in the meanwhile the parties enter into a written Amendment modifying this Agreement.

VIII. APPEAL PROCESS

In the event of a dispute or grievance regarding the terms and conditions of this Agreement, both parties shall abide by the following procedures:

- a) CONTRACTOR shall first discuss the problem informally with the designated DSS Contact/Program Analyst. If the problem is not resolved, CONTRACTOR must, within fifteen (15) working days of the failed attempt to resolve the dispute with DSS Contact/Program Analyst, submit a written complaint, together with any evidence, to the DSS Branch Deputy Director. The complaint must include a description of the disputed issues, the legal authority/basis for each issue which supports CONTRACTOR's position, and the remedy sought. The Branch Deputy Director shall, within fifteen (15) working days after receipt of CONTRACTOR's written complaint, make a determination on the dispute, and issue a written decision and reasons therefore. All written communication shall be pursuant to Section 14. NOTICES of this Agreement. Should CONTRACTOR disagree with the decision of the Division Deputy Director, CONTRACTOR may appeal the decision to the Director of the Department of Social Services.
- b) CONTRACTOR's appeal of the Branch Deputy Director's decision must be submitted to the Department Director within ten (10) working days from the date of the decision; be in writing, state the reasons why the decision is unacceptable, and include the original complaint, the decision that is the subject of appeal, and all supporting documents. Within twenty (20) working days from the date of CONTRACTOR'S appeal, the Department Director, or his/her designee, shall meet with CONTRACTOR to review the issues raised on appeal. The Department Director shall issue a final written decision within fifteen (15) working days of such meeting.
- c) CONTRACTOR may appeal the final decision of the Department Director in accordance with the procedures set forth in Division 25.1 (commencing with Section 38050) of the Health and Safety Code and the regulations adopted thereunder. (Title 1, Subchapter 2.5 commencing with Section 251, or Subchapter 3 commencing with Section 300, whichever is applicable, of the California Code of Regulations).
- d) CONTRACTOR shall continue to carry out the obligations under this Agreement during any dispute.
- e) Costs incurred by CONTRACTOR for administrative/court review are not reimbursable by COUNTY.

Monterey County Department of Social Services
BUDGET
May 21, 2024 - June 30, 2027

CONTRACTOR: Kevin W. Harper, CPA & Associates

ITEM	HOURS	COST
Planning	20	\$ 3,975.00
Conduct Sub-recipient Determination Screening	40	\$ 6,625.00
Conduct Risk Assessments of all Sub-recipeints	60	\$ 15,900.00
Review Sub-recipient Financial Reports	120	\$ 23,000.00
Conduct On-site Monitoring/Desk Reviews	160	\$ 25,200.00
Project Administration	30	\$ 5,300.00
Training and Consultation	40	\$ 10,600.00
Write Procedures/Revise Standard Subgrant	55	\$ 13,250.00
TOTAL	525	\$ 103,850.00

The maximum amount payable by County to CONTRACTOR through this agreement shall not exceed **one hundred three thousand, eight hundred fifty dollars (\$103,850.00)**.

Invoice shall be mailed to:

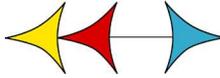
Rocco Cusenza

Monterey County Department of Social Services

1000 S. Main Street, Suite 306

Salinas, CA 93901

501-MCDSSAccountsPayable@countyofmonterey.gov



Kevin W. Harper CPA & Associates

March 10, 2024

Mr. Rocco Cusenza
Finance Manager
Monterey County DSS
1000 S. Main Street, Suite 306
Salinas, CA 93901

Billing for professional services rendered during February 1, 2024 through February 29, 2024 related to Food and Nutrition Services (FNS) 209 Report:

<u>Professional</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Kevin Harper	4	\$260	\$1,040

461 2nd Street #302, San Francisco, CA 94107
(510) 593-5037 kharper@kevinharpercpa.com

Modification to Standard Agreement

Section 8.0 INDEMNIFICATION is modified to read as follows:

8.01 Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The Contractor shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless the County under this Agreement. **Notwithstanding anything to the contrary contained in this Agreement, Contractor's total liability for any and all damages shall not exceed the aggregate limits of Contractor's insurance.**



KIM JOHNSON
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES

744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



GAVIN NEWSOM
GOVERNOR

August 1, 2019

ERRATUM

ALL COUNTY LETTER (ACL) NO. 19-65E

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY IEVS COORDINATORS
ALL COUNTY SPECIAL INVESTIGATIVE UNIT CHIEFS
ALL COUNTY CONSORTIUM MANAGERS
ALL CALFRESH PROGRAM SPECIALISTS
ALL QUALITY CONTROL PROGRAM COORDINATORS

SUBJECT: CALFRESH FEDERAL REPORT: FOOD AND NUTRITION
SERVICE (FNS) STATUS OF CLAIMS AGAINST HOUSEHOLDS
209 REPORT: 2019 VALIDATION REVIEW AND ONGOING
VALIDATION REVIEW REQUIREMENT

REFERENCE: [7 CFR 272.10\(b\)\(2\)\(vii\)\(B\)](#), [7 CFR 272.10\(b\)\(2\)\(xiii\)](#); [COUNTY FISCAL LETTER \(CFL\) NO. 14/15-13](#), DATED AUGUST 22, 2014; [CFL NO. 11/12-14](#), DATED AUGUST 26, 2011; [CFL NO. 07/08-54](#), DATED JULY 18, 2007; [ALL COUNTY LETTER \(ACL\) NO. 07-26](#), DATED JULY 18, 2007

The purpose of this erratum to ACL 19-65 is to correct the phone number and add an email contact that was not included with the letter released on July 16, 2019.

The purpose of this letter is to provide County Welfare Departments (CWD) instructions for the newly required submission of the annual and biennial Status of Claims Against Households report (FNS-209 report) validation review to the California Department of Social Services (CDSS).

Background

On a quarterly basis, the FNS-209 report is completed by all CWDs on over-issuance claims establishment and collection activities in CalFresh. CDSS compiles all counties responses and submits a state FNS-209 report to United States Department of Agriculture (USDA), Food and Nutrition Service (FNS). In 2006, FNS conducted an in-

ACL 19-65E

Page Two

depth review of the FNS-209 reports and raised concerns about the accuracy of the information contained in the FNS-209 reports, as cited in [ACL 07-26](#).

As a result, FNS requested that CDSS complete validation reviews of the FNS-209 report. The first validation review, completed for the June 2007 quarter, showed that most counties were unable to validate the FNS-209 report. The second validation review, completed for the June 2008 quarter, had improved results; however, some counties continued to have difficulty validating the report. The third validation review, completed for the June 2011 quarter, uncovered issues with one or more of the accountability tests. As a result, the fourth validation review, completed for the June 2014 quarter, reduced the number of accountability tests to provide clearer guidance. The FNS validation review methodology used for the fourth validation review will be used moving forward.

FNS 209 Report Validation Review: June 2019 Quarter

All CWDs are required to submit an FNS-209 report validation review to CDSS for the June 2019 quarter by **September 30, 2019**. Submissions are to be emailed to IEVSReviewUnit@dss.ca.gov. If unable to email, please mail the validation review to:

Attn: IEVS Review Unit
744 P Street, M.S. 8-5-26
Sacramento, CA 95814

FNS 209 Report Validation Review: June Quarter moving forward

To ensure ongoing program integrity, all Performance Measurement Counties (PMC) will be required to submit annual FNS-209 report validation reviews for the June quarter report starting in September 2020. For example, the June 2020 quarter FNS-209 report validation review is due by September 30, 2020. The PMCs are as follows: Alameda, Contra Costa, Fresno, Kern, Los Angeles, Merced, Monterey, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, Santa Clara, Solano, Stanislaus, Tulare, and Ventura.

All other counties will be required to submit biennial FNS-209 report validation reviews for the June quarter report starting in September 2021. For example, the June 2021 quarter FNS-209 report validation review is due by September 30, 2021.

The annual and biennial FNS-209 report validation reviews are due by ***the last business day of September*** in the respective year.

FNS 209 Report Validation Review Process

The FNS-209 report validation review consists of submitting the (1) FNS-209 Validation Review Methodology, described in Attachment A, and (2) the formal validation letter signed by an auditor, as defined below.

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A formal validation letter must include:

- when the audit was completed;
- a brief explanation of what program and/or test was utilized to complete the audit; and
- any issues and/or discrepancies, if applicable.

The FNS-209 Report Validation Review Methodology and formal validation letter must be completed by either the county's auditor controller, an external auditor outside the Social Services Agency, or an independent certified public accountant. Each county must also maintain documentation that describes the county process of completing the FNS-209 report validation review.

Any concerns and discrepancies identified require a corrective action plan (CAP) included in the submission of the FNS-209 report validation review and formal validation letter. CDSS will follow up with the CWDs' FNS-209 report validation reviews and the corresponding CAP during the Income and Eligibility Verification System (IEVS) Reviews.

If there are any questions and/or concerns, please email IEVSReviewUnit@dss.ca.gov or call the Program Integrity Bureau at (916) 653-1826.

Sincerely,

Original Document Signed by:

TODD R. BLAND
Assistant Director, CDSS
Automation, Integrity, and Client Initiatives Branch

Attachment

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ATTACHMENT A

FNS-209 Report Validation Review Methodology

ACCOUNTABILITY TEST 1 (FNS-209 Information):

PURPOSE: To verify that the information reported on the FNS-209 report is accurate and can be supported with internal accounting records (i.e., traced to individual cases).

PROCEDURE: Run system-generated case level reports supporting the data on lines 3b through 20b of the FNS-209 for the quarter ending June of the respective year. Ideally, these would be system-generated individual monthly reports (April, May, and June of the respective year, with combined totals) that show establishment and collection data by type of claim at the individual case level. The data should be broken down by type of claim: Intentional Program Violation (IPV), Inadvertent Household Error (IHE), and Agency Administrative Error (AE), by client (case number and last name) and by dollar amount, with summary totals for each line item (lines 3b through 20b) for the quarter ending June of the respective year.

For each line, compare the system-generated report totals to the amounts reported on each line of the June quarter FNS-209 report of the respective year. The comparison should demonstrate a direct data relationship between actual CalFresh case records (the system-generated report) and the data reported on the FNS-209. If the number of claims and dollar amounts agree, the data reported on the FNS-209 can be traced to individual cases. If there are differences between the data from the system-generated report and the data reported on the June quarter FNS-209 report of the respective year, the discrepancies should be researched and corrected/adjusted.

SUPPORTING DOCUMENTATION: Provide an Excel spreadsheet (or similar documentation) showing the comparison of each line item (lines 3b through 20b). Provide a narrative describing the results of the comparison and any corrective action. Maintain the system-generated reports by line item as these may be requested by the California Department of Social Services (CDSS) or the federal Food and Nutrition Services (FNS) if additional documentation is needed.

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ACCOUNTABILITY TEST 2 (FNS-209 Balances):

PURPOSE: To verify that the beginning/ending balances on the FNS-209 report are supported by automated claims management systems and paper records (i.e., traced to individual cases).

PROCEDURE: Run a system-generated case level report that will support either the beginning balance (line 3a) or ending balance (line 13) of the June quarter FNS-209 report of the respective year. If necessary, the report may be a combination of system-generated and manual reports. The report would be a complete history of all claims in your system (simply verifying that the current month's FNS-209 beginning balance matches the ending balance reported on the previous month's FNS-209 is not sufficient). The data should be broken down by type of claim (IPV, IHE, and AE), by client (case number and last name) and by dollar amount.

Compare the totals from the system-generated history report as of June of the respective year to the corresponding beginning/ending balance reported on the June quarter FNS-209 report of the respective year. The comparison should demonstrate a direct data relationship between actual CalFresh case records (the system-generated history report) and the data reported on the FNS-209. If the number of claims and dollar amounts agree, the data reported on the FNS-209 can be traced to individual cases. If the comparison shows any differences, (ex: case numbers or amounts from the history report that are not reflected on the June of the respective year FNS-209), the discrepancies should be researched and corrected/adjusted.

SUPPORTING DOCUMENTATION: Provide the **summary page** from your case level history report that shows the **total** number and **total** dollar amount of claims by type of claim (IPV, IHE, and AE). Also provide the below tables showing the comparison of the history report and the FNS-209 (number of claims and dollar amount of claims). Include a narrative describing the results and if corrective action is required.

Claims #	IPV (#)	IHE (#)	AE (#)	Total (#)
History report:				
June (Year) FNS-209:				
Difference:				

Claim amounts \$	IPV (\$)	IHE (\$)	AE (\$)	Total (\$)
History report:				
June (Year) FNS-209:				
Difference:				

CERTIFICATION REGARDING LOBBYING

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

1. No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of 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.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements, and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

DocuSigned by:
Kevin Harper
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 Signature

Kevin W. Harper, CPA & Associates
 Agency/Organization

Owner

 Title

4/24/2024 | 11:31 PM PDT

 Date