CLARK COUNTY
STAFF REPORT

DEPARTMENT: Community Services

DATE: 03/21/16

REQUESTED ACTION: That the County Manager approve a contract with Clark Public Utilities to fund and administer the LIHEAP program.

____ Consent ____ Hearing __X__ County Manager

BACKGROUND

This 63-month grant-funded contract with Clark Public Utilities (CPU) funds a Clark County Low Income Home Energy Assistance Program (LIHEAP). The program serves 3000-4000 households annually.

The contract is fully-funded by a Low Income Home Energy Assistance Program (LIHEAP) grant. The grant is a federally-funded block grant administered by the U. S. Department of Health and Human Services, Office of Community Services. It is awarded to Clark County through the Washington Department of Commerce. The program's intent is to assist low income households in meeting their immediate home energy needs.

LIHEAP funds assist households whose incomes are at or below 125% of the federal poverty level. These households pay a much higher proportion of their income for their home heating needs. As a result, they are the most at risk of losing access to heat during the cold winter months. The program is designed to help these families keep their heat on, especially those households that are most vulnerable, such as the elderly, the disabled, and households with young children.

☐ This is a new project

☒ This is a continuation of an existing project

COUNCIL POLICY IMPLICATIONS

There are no known Council policy implications.

ADMINISTRATIVE POLICY IMPLICATIONS

There are no known administrative policy implications.

COMMUNITY OUTREACH

None

BUDGET IMPLICATIONS

YES	NO	
X		Action falls within existing budget capacity.
	X	Action falls within existing budget capacity but requires a change of purpose within existing appropriation
	X	Additional budget capacity is necessary and will be requested at the next supplemental. If YES, please complete the budget impact statement. If YES, this action will be referred to the county council with a recommendation from the county manager.

BUDGET DETAILS

Local Fund Dollar Amount	$0
Grant Fund Dollar Amount	Not to exceed $10,000,000 (LIHEAP Grant 16-32606-058)
Account	Fund 1936 Weatherization/Energy: LIHEAP Program
Company Name	Clark Public Utilities (Contract #2016-CPU-01)

DISTRIBUTION:
Board staff will post all staff reports to The Grid. http://www.clark.wa.gov/thegrid/

For questions please contact Michael Torres at 360-397-2130.

Michael Torres, Program Manager

Vanessa Gaston, Director

APPROVED:_____
CLARK COUNTY, WASHINGTON
BOARD OF COUNTY COUNCILORS

DATE: _____

SR#_____

APPROVED:_____
Mark McCauley, Acting County Manager

DATE: _____

CLARK PUBLIC UTILITIES
LIHEAP HISTORY

	# of Households		Budget		Average Grant
99-00	2,114	$	492,591	$	233
00-01	1,940	$	577,528	$	298
01-02	2,900	$	1,086,867	$	375
02-03	2,234	$	920,284	$	412
03-04	2,602	$	1,156,298	$	444
04-05	3,207	$	1,389,968	$	433
05-06	4,115	$	1,783,488	$	433
06-07	3,364	$	1,515,718	$	451
07-08	3,541	$	1,636,132	$	462
08-09	5,985	$	2,903,077	$	485
09-10	6,393	$	2,894,645	$	453
10-11	5,785	$	2,632,277	$	455
11-12	4,577	$	2,134,211	$	466
12-13	3,960	$	1,781,409	$	450
13-14	3,669	$	1,655,594	$	451
14-15	4,033	$	1,652,724	$	410
15-16	1,893	$	1,813,676	$	382

BUDGET IMPACT ATTACHMENT – NONE

Part I: Narrative Explanation

I. A – Explanation of what the request does that has fiscal impact and the assumptions for developing revenue and costing information

Part II: Estimated Revenues

	Current Biennium		Next Biennium		Second Biennium	
Fund #/Title	**GF**	**Total**	**GF**	**Total**	**GF**	**Total**
Total	$0	$0	$0	$0	$0	$0

II. A – Describe the type of revenue (grant, fees, etc.)

Part III: Estimated Expenditures

III. A – Expenditures summed up

		Current Biennium		Next Biennium		Second Biennium	
Fund #/Title	**FTE's**	**GF**	**Total**	**GF**	**Total**	**GF**	**Total**
Total	$0	$0	$0	$0	$0	$0	$0

III. B – Expenditure by object category

	Current Biennium		Next Biennium		Second Biennium	
Fund #/Title	**GF**	**Total**	**GF**	**Total**	**GF**	**Total**
Salary/Benefits						
Contractual						
Supplies						
Travel						
Other controllables						
Capital Outlays						
Inter-fund Transfers						
Debt Service						
Total	$0	$0	$0	$0	$0	$0

INTERLOCAL CONTRACT #2016-CPU-01

between

CLARK COUNTY, Department of Community Services
PO Box 5000, Vancouver, Washington 98666

and

CLARK PUBLIC UTILITIES
PO Box 8900, Vancouver, Washington 98668

Program/Services Being Funded:	**Low Income Home Energy Assistance Program (LIHEAP)**
Contract Period:	January 1, 2016 – March 31, 2017 (AR) with four 12-month extension options
Budget Authority:	Not to Exceed $10,000,000.00
Funding Source:	LIHEAP (Fund 1936)
DUNS Number:	044111037
CFDA Number:	93.568

Contractor Program Contact	Contractor Fiscal Contact	County Program Contact	County Fiscal Contact
Gretchen Alexander 360-992-3583 galexander@clarkpud.com	Melissa Ankeny 360-992-3495 mankeny@clarkpud.com	Samantha Whitley 360-397-2075 x7842 samantha.whitley@clark.wa.gov	John Jokela 360-397-2075 x7883 john.jokela@clark.wa.gov

Clark County, hereinafter referred to as the "County," and Clark Public Utilities, hereinafter referred to as the "Contractor" and "CPU," agree to the terms of this Interlocal Contract by signing below:

FOR CLARK COUNTY:

_____
Mark McCauley, Acting County Manager

_____
Date

FOR CLARK PUBLIC UTILITIES:

_____
Wayne Nelson, General Manager

3-9-16
Date

APPROVAL AS TO FORM ONLY:

_____
Deputy Prosecuting Attorney

Approved as to form:

_____
John Eldridge, Legal Counsel

BUDGET SUMMARY
INTERLOCAL CONTRACT #2016-CPU-01
CLARK PUBLIC UTILITIES

Contract Year 01/01/16 through 03/31/17

CATEGORY	ASSISTANCE TYPE	PAYMENT TYPE	REVENUE SOURCE	01/01/16 – 03/31/17
Direct Services	Energy Assistance	Cost Reimbursement	LIHEAP (Fund 1936) 16-32606-058	$1,487,620.00
Other Direct Services				$182,592.00
Conservation Education				$104,339.00
Administration				$108,451.00
STATEMENT OF WORK #1 TOTAL				**$1,883,002.00**
Additional Future Funds				**$8,116,998.00**
CONTRACT TOTAL (Not to Exceed)				**$10,000,000.00 ***

* Funding is initially limited to $1,883,002.00. Thereafter, an additional $8,116,998.00 may be available to the Contractor subject to Clark County's receipt of additional funding from the Washington State Department of Commerce. County will notify Contractor in writing if additional future funds are available.

STATEMENT OF WORK #1
INTERLOCAL CONTRACT #2016-CPU-01
CLARK PUBLIC UTILITIES

Contract Year 01/01/16 through 03/31/17

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)				
CATEGORY	**ASSISTANCE TYPE**	**PAYMENT TYPE**	**REVENUE SOURCE**	**01/01/16 – 03/31/17**
Direct Services	Energy Assistance	Cost Reimbursement	LIHEAP (Fund 1936) 16-32606-058	$1,487,620.00
Other Direct Services				$182,592.00
Conservation Education				$104,339.00
Administration				$108,451.00
STATEMENT OF WORK #1 TOTAL				**$1,883,002.00**
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CONTRACT TOTAL (Not to Exceed)				**$10,000,000.00 ***

* Funding is initially limited to $1,883,002.00. Thereafter, an additional $8,116,998.00 may be available to the Contractor subject to Clark County's receipt of additional funding from the Washington State Department of Commerce. County will notify Contractor in writing if additional future funds are available.

1. PROGRAM DESCRIPTION

CPU shall administer and deliver energy assistance in accordance with the Low-Income Home Energy Act of 1981, the LIHEAP policies and procedures, and applicable federal and state statutes and regulations. The County agrees to assist CPU in the implementation of policies and procedures related to the provision of LIHEAP services.

Energy assistance services include, but are not limited to, the following activities:

1.1. Direct Services: Screen all people seeking assistance for their energy needs, including electric, gas, oil, wood, propane, etc. Direct services include all payments made to, or on behalf of, eligible low-income households up to the maximum benefit determined

1.2. Determine client eligibility and benefits for LIHEAP

1.3. Work with people to identify their best payment/funding options

1.4. Assist in coordinating benefits for the household

1.5. Determine client eligibility for Other Emergency Services (OES), refer clients to DCS in a timely manner, and input necessary OES information into the database

1.6. Refer households to the County's Weatherization Assistance and Housing Preservation programs

1.7. Refer people to other agencies when appropriate

1.8. Conduct outreach to the public regarding the LIHEAP program

1.9. Engage in energy conservation education activities which encourage and enable households to reduce their home energy needs and thus the need for energy assistance; distribution and tracking of education kits

1.10. Perform activities directly related to benefits such as determination assistance, outreach, information resource and referral, case management, and crisis services necessary to serve eligible households

2. CPU RESPONSIBILITIES

2.1. Provide staff support for the LIHEAP program, as specified in the Budget Summary.

2.2. Contract for automated scheduling and provide intake services to determine client eligibility and benefit determination for the LIHEAP program. Telephone answering services shall be available 24 hours per day, seven days per week, and client intake services shall be available between 8:00 a.m. and 5:00 p.m., Monday through Friday. Additional client intake hours will be made available as needed to accommodate individual circumstances.

2.3. If requested by the County, Contractor shall submit program staff timesheets quarterly, to the County Program Contact.

2.4. Spending Targets:

2.4.1. Every three months, the County will review CPU's level of planned performance compared to the actual performance. There are five target periods, listed as follows:

Target Period 1	January 1 – March 31
Target Period 2	April 1 – June 30
Target Period 3	July 1 – September 30
Target Period 4	October 1 – December 31
Target Period 5	January 1 – March 31

2.4.2. Actual performance will be based on the following requirements. These requirements may be lowered or postponed by the County Program Contact in writing.

2.4.2.1. By the end of target period 1, CPU must achieve eighty percent (80%) of its spending target projections

2.4.2.2. By the end of target period 2, CPU must achieve eighty five percent (85%) of its spending target projections

2.4.2.3. By the end of target period 4, CPU must achieve ninety percent (90%) of its spending target projections

2.5. Non-Electric Energy Assistance:

2.5.1. Provide LIHEAP assistance to all qualified applicants, regardless of the applicants' heat source.

2.5.2. Enter into contracts with vendors who supply non-electric types of home heating energy using the Low Income Home Energy Assistance Vendor Agreement. Any modifications to the Vendor Agreement shall be submitted to the County for review prior to use by CPU.

2.5.3. As part of the applicant's eligibility determination, CPU shall communicate with other energy vendors and LIHEAP funds shall be paid to the household's primary heating vendor directly, or to the household as a last resort. The reason for a payment to a household shall be documented in the client file.

2.6. Conservation Education:

CPU will provide conservation education for program participants as defined in the LIHEAP Policies and Procedures (hereafter referred to as "Policy"). A participant conservation education plan will be included in the LIHEAP Application Packet.

2.7. Intake and Outreach:

2.7.1. CPU shall perform intake appointments at two community centers in effort to provide access to households that live in areas far from the main office area: Battle Ground Community Center and East County Treasure House. Home visits or mailed applications shall be available to homebound clients. CPU will continue to facilitate new approaches to reach new households in its service area with information about the Energy Assistance Program.

2.7.2. Outreach Activities shall comply with the requirements of the LIHEAP Policies and Procedures, and shall include provisions to focus outreach to the priority groups described in Policy 4.2.0, Informing Population About Program Availability.

2.7.3. Provide information regarding other energy assistance programs to applicants in order to maximize the applicants' opportunities for assistance.

2.8. CPU shall screen callers and office drop-ins for possible referral to Clark County's Weatherization Assistance, Housing Preservation and/or Heat System Repairs or Replacement programs.

2.9. CPU shall follow Policy 4.8.0, Fair Hearings – The Opportunity to Appeal, to resolve a client grievance or complaint.

2.10. Reporting: CPU shall provide program statistical information to the County, as requested by the County for reporting requirements and program information related to services purchased by funds awarded under this Contract.

2.11. CPU shall follow the data management requirements in Policy 4.6.0, Submitting Household Information Forms (HIF) Data to Commerce.

3. COUNTY RESPONSIBILITIES

3.1. For the duration of this Contract, the County will provide training and technical assistance to CPU staff who perform or supervise the activities detailed in the Contract.

3.2. The County will conduct client file monitoring during the Contract period to ensure quality of service and compliance. Ten percent of client files will be reviewed each month to check client eligibility and for complete, accurate file documentation.

3.3. The County will pay CPU for administrative and program support for the LIHEAP Program per the Budget Summary for this contract period.

3.4. The County will monitor CPU expenditures monthly to assure the spending is in compliance with the LIHEAP projections in the County's contract with the State of Washington.

4. CONTRACT PERIOD AND BUDGET AUTHORITY

4.1. The contract period is shown on the face sheet of this contract. Services must be provided and billable costs incurred within the contract period.

4.2. The contract will automatically renew for four (4) successive 12-month periods unless terminated by either party with a 30-day written notice.

4.3. Funding is initially limited to $1,883,002.00. Thereafter, additional funds may be available to the Contractor subject to Clark County's receipt of additional funding from the Washington State Department of Commerce. The County will notify Contractor in writing if additional future funds are available.

4.4. The annual amount of funding for each contract extension shall be determined by the County and communicated to the Contractor in writing during the first quarter of each year.

TERMS AND CONDITIONS
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

1. PURPOSE AND BACKGROUND

1.1. This is an Interlocal Contract entered into under the authority of the Interlocal Cooperation Act, RCW 39.34, between Clark County, Washington, a political subdivision of the State of Washington, and Clark Public Utilities, a municipal corporation in the State of Washington. Pursuant to RCW 39.34, prior to its entry into force this contract shall be filed with the county auditor or, alternatively, listed by subject on CPU's public web site or other electronically retrievable public source.

1.2. The Low Income Home Energy Assistance Program (LIHEAP), authorized by the Low Income Home Energy Assistance Act of 1981, the Omnibus Budget Reconciliation Act of 1981, the Energy Policy Act of 2005, Public Law 109-58, is a block grant issued by the Department of Health and Human Services, Office of Administration For Children And Families to the State of Washington Department of Commerce (Commerce). Clark County, by and through its Department of Community Services, contracts with Commerce to operate the program locally, and CPU desires to administer the duties and responsibilities of the LIHEAP program. The objective of the LIHEAP program is to assist eligible households to meet the costs of home energy.

1.3. The purpose of this Contract is to provide for the administration of the LIHEAP program by CPU, and the parties desire to reduce to writing their understanding related to the administration duties and responsibilities of the LIHEAP program.

2. ACKNOWLDEGEMENT OF FEDERAL FUNDING

CPU agrees that any publication (written, visual or sound) but excluding press releases, newsletters, and issue analyses, issued by CPU describing programs or projects funded in whole or in part with federal funds under this Contract, shall contain the following statements:

"This project was supported by the Low Income Home Energy Assistance Program (LIHEAP) awarded by the Department of Health and Human Services (HHS). Points of view in this document are those of the author and do not necessarily represent the official position or policies of HHS. Grant funds are administered by the Washington State Department of Commerce."

3. ADMINISTRATIVE COSTS

3.1. Administrative costs are costs of a general nature incurred in the provision of energy assistance but not clearly identified with a particular program. These costs shall include, but not be limited to, planning, budgeting and accounting,

establishment and direction of CPU policies, goals and objectives, and client intake and eligibility determination.

3.2. The Contractor shall comply with 2 C.F.R. Part 200.

4. ALLOCATION OF INDIRECT COSTS AND DETERMINATION OF INDIRECT COST RATES

CPU shall use the federal cost principles specified in 2 C.F.R. Part 200.

5. ANTICIPATORY COSTS

Allowable costs under this Contract shall include costs incurred by CPU from the beginning of the Contract period for activities allowable under the terms of this Contract as if this Contract had been in effect during that period, provided that all costs shall not exceed the maximum amount of this Contract. No payment for allowable costs shall be made under this Contract until it has been signed by all parties.

6. ASSIGNMENT

Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by CPU without the prior written consent of the County.

7. PAYMENT PROCEDURES

The County shall pay the Contractor for providing the services described in the Statement(s) of Work, in accordance with the following provisions:

7.1. Contractor shall submit a signed and numbered invoice by the 15th of each month following the month services were provided that includes the Contractor's name, address, contract number, month of service, Statement of Work number, and a payment request form.

7.2. To receive payment for all cost reimbursement statements of work, the Contractor shall submit a summary of expenses incurred, accompanied by general ledger detail if available, otherwise copies of original receipts must be provided.

7.2.1. If applicable to the Statement of Work, for direct costs the detail will include:

7.2.1.1. Salaries and benefits: Names of employees, salary and benefits paid, and dates;

7.2.1.2. Other direct costs: Include vendor names, dates of service and amount.

7.2.2. If the Contractor allocates costs, a copy of an allocation method or plan

shall be submitted to the Department of Community Services Finance Staff prior to the first invoice being reimbursed. Approval will be made in writing and copied to both the Contractor and the contract file. The Contractor will submit one of the following documents to meet this requirement:

7.2.2.1. Cost Allocation Plan that defines how direct, shared and administrative costs are allocated; or

7.2.2.2. A Cost Allocation methodology that defines how direct, shared, and administrative costs are allocated.

7.3. Payment to the Contractor shall be processed within 15 days after receipt of a complete and correct invoice, and a complete and accurate general ledger detail itemization.

7.4. Administration costs may not exceed the amount shown on the budget table for each Statement of Work. Program funds may not be used to pay for administrative costs.

7.5. The Contractor agrees to allow the County to make adjustments to the individual budget lines of this Contract when necessary and in the interests of both parties. In the event that the County needs to adjust the stated budget amounts specified in the Statements of Work of this Contract, the Contractor grants the County the right to unilaterally modify said budget lines that, provided the total contract amount remains unchanged, will not require the signature of the Contractor.

7.6. Duplication of Billed Costs: CPU shall not bill for services performed under this Contract and the County will not pay CPU, if CPU is entitled to payment or has been or will be paid by any other source, including grants, for that service.

8. CONFIDENTIALITY, SAFEGUARDING OF INFORMATION AND CLIENT PRIVACY STANDARDS

8.1. "Confidential Information" as used in this section includes:

8.1.1. All material provided to CPU by the County or Commerce that is designated as "confidential" by Commerce;

8.1.2. All material produced by CPU that is designated as "confidential" by Commerce; and;

8.1.3. All personal information in the possession of CPU that may not be disclosed under state or federal law. "Personal information" includes but is not limited to information related to a person's name, health, finances, education, business, use of government services, addresses, telephone numbers, social security number, driver's license number and

other identifying numbers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).

8.2. CPU shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. CPU shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of the County or as may be required by law. CPU shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, CPU shall provide its policies and procedures on confidentiality. Commerce or the County may require changes to such policies and procedures as they apply to this Contract whenever the Commerce or the County reasonably determines that changes are necessary to prevent unauthorized disclosures. CPU shall make the changes within the time period specified by Commerce or the County. Upon request, CPU shall immediately return to Commerce or the County any Confidential Information that Commerce or the County reasonably determines has not been adequately protected by CPU against unauthorized disclosure.

8.3. Unauthorized Use or Disclosure. CPU shall notify the County within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

8.4. The Contractor shall provide to the County certification by the Executive Director certifying that the Contractor has on file a statement of confidentiality for each of the Contractor's staff or subcontractor. That statement must be signed by the staff member, or subcontractor, acknowledging that the provider understands and agrees to follow all regulations on confidentiality. The Certification is due within 60 days of signing this Contract.

9. CORRECTIVE ACTION

9.1. CPU shall provide the services specified in this Contract. If the County identifies a Contract violation or a performance deficiency, it shall notify CPU in writing, and CPU shall submit a corrective action plan within 30 days from the day the County's written notice is sent.

9.2. The County will approve or disapprove CPU's corrective action plan, in writing, within 14 days of receipt of the plan. If the plan is satisfactory, follow-up will be required from CPU to ensure the deficiency is corrected. If subsequent efforts by CPU do not correct the deficiency, or a corrective action plan is not completed by CPU within 30 days, or the plan is deemed unsatisfactory by the County, the County will take appropriate action, which may include termination of the Contract.

10. CERTIFICATION REGARDING DEBARMENT, SUSPENSION OR INELIGIBILITY AND VOLUNTARY EXCLUSION

10.1. This certification is required by the regulations set forth in Title 2 C.F.R. Part 180. The terms "covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded," as used in this clause, have the meanings set out in Title 2 C.F.R. Part 180.

10.2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction

LOWER TIER COVERED TRANSACTIONS

a) The lower tier Grantee certifies, by signing this Contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

b) Where the lower tier Grantee is unable to certify to any of the statements in this Grant, such Grantee shall attach an explanation to this Grant.

10.3. Before entering into a "covered transaction" with another party at the next lower tier, the Contractor agrees by signing this Contract that it will first verify that the person or party with whom it intends to do business is not excluded or disqualified. The Contractor may do this by:

10.3.1. Checking the federal Excluded Parties List System at sam.gov; or
10.3.2. Collecting a certification from the person or party; or
10.3.3. Adding a clause or condition to the covered transaction with that person or party that fully meets the requirements set out in Title 2 C.F.R. Part 180.

10.4. The Contractor agrees by signing this Contract that it shall not knowingly enter into any lower tier covered transaction with a person or party who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.

10.5. The certification in this clause is a material representation of fact upon which reliance is placed at the time of Contract execution and at the time of any subsequent modification(s). If it is at any time determined that the Contractor knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

10.6. Before hiring any new employee performing services under this contract, the Contractor shall conduct a search of the Federal Excluded Parties List System referenced above to ensure that the individual is not presently debarred,

suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. The search must be conducted by the Contractor *prior to* making an employment offer. Evidence of search results must be maintained in the employee's personnel file.

10.7. The Contractor shall maintain written documentation of its compliance with the above-stated requirements and make said documentation available to Clark County for review upon request.

11. DISPUTES

If a dispute occurs between the County and CPU regarding the delivery of services under this Contract that cannot be resolved by their respective staff, the Clark County Administrator and the CPU General Manager or their designated representatives shall review the dispute and options for resolution.

12. DOCUMENTS INCORPORATED BY REFERENCE

In addition to the other documents and circulars referenced throughout this Contract, each of the documents listed below are by this reference incorporated into this Contract as though fully set forth herein, including any amendments, modifications or supplements thereto:

12.1. LIHEAP program policies and procedures established by the Department of Commerce, as now enacted or hereafter amended.

12.2. Applicable County Low-Income Home Energy Assistance Program Applications

12.3. CFDA Section 93.568, Low Income Home Energy Assistance

12.4 Department of Commerce LIHEAP Contract 16-32606-058 and subsequent Department of Commerce LIHEAP contracts associated with this Contract.

13. DOCUMENTS ON FILE

Documents consistent with federal and state regulations, as applicable, shall be kept on file in CPU's office and available for review. Such documents shall include but not be limited to the following:

13.1. Personnel policies
13.2. Job description
13.3. Organizational chart
13.4. Travel policies
13.5. Accounting Policies and Procedures
13.6. Articles of incorporation
13.7. Bylaws
13.8. Latest agency audit
13.9. Insurance policies required under this contract
13.10. Indirect cost agreement, when applicable

14. ENTIRE CONTRACT

The parties agree that this Contract is the complete expression of the terms hereto, and any oral representations or understanding not incorporated herein are excluded. Further, except as provided elsewhere in the contract, any modification of this Contract shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. The parties recognize that time is of the essence in the performance of this Contract, and agree that the forgiveness of non-compliance with any provision of this Contract does not constitute a waiver of the provisions of this Contract.

15. ETHICS/CONFLICTS OF INTEREST

In performing under this Contract, CPU shall assure compliance with the Ethics in Public Service Act (Chapter 42.52 RCW) and other applicable state or federal law related to ethics or conflicts of interest.

16. EMPLOYMENT VERIFICATION PROGRAM

16.1. If the amount of this Contract is equal to or greater than $25,000, the Contractor shall enter into a Memorandum of Understanding (MOU) with the Department of Homeland Security (DHS) agreeing to participate in the E-Verify Program. The Contractor shall submit a copy of the MOU to the County prior to starting work under this Contract and shall verify employment eligibility using the E-Verify website throughout the term of the Contract.

16.2. If the Contractor has sub-contracts in an amount equal to or greater than $25,000 working in support of this Contract, the Contractor is responsible for ensuring that the sub-contractor provide a DHS MOU or proof of pending application (followed by an MOU) within 30 days after the contract start date.

16.3. Pre-employment searches must be conducted by the Contractor (and its covered subcontractors) *prior to* making offers of employment. Evidence of search results must be maintained in each employee's personnel file. Upon completion of this Contract, the Contractor shall provide the County with a written document certifying the authorized employment status of its employees and those of any sub-contractors assigned to the perform work under the Contract.

16.4. E-Verify program and enrollment information is available at the Department of Homeland Security website: http://www.uscis.gov/e-verify.

17. FEDERAL FUNDING REQUIREMENTS

The federal funds received under this Contract have a Catalog of Federal Domestic Assistance (CFDA) Number identified in the Contract. The County and CPU, as recipients of federal funds, shall comply with grantor requirements including but not limited to those detailed or incorporated into this Contract and detailed in the Catalog of Federal Domestic Assistance. CPU certifies that it is aware of or will review the

appropriate section of the CFDA and the relevant Code of Federal Regulations and other documents referenced in either the CFDA or in this Contract that provide guidance to compliance with federal requirements regarding these funds.

18. FINANCIAL MANAGEMENT SYSTEMS

CPU's financial systems shall contain the following:

18.1. Accurate, current and complete disclosure of the financial results of each Contract
18.2. Records that identify the source and application of funds
18.3. Control over and accountability for all funds, property, and other assets
18.4. Comparison of actual outlays with budgeted amount for each Contract
18.5. Procedures that minimize the time elapsing between the transfer of funds from the County and their disbursement by CPU
18.6. Procedures for determining reasonableness, and allocating of costs
18.7. Accounting records that are supported by source documentation
18.8. Procedures for timely and appropriate resolution of audit findings and recommendations

19. FISCAL AUDIT

19.1. The Contractor shall comply with Generally Accepted Accounting Principles (GAAP) and/or Governmental Generally Accepted Accounting Principles (GGAAP) and meet the financial management systems requirements of the contract.

19.2. The above requirement may be demonstrated either by submission of an annual independent auditor's report, review report, or by the submission of semi-annual financial reports based upon the mid-point and end of the Contractor's fiscal year.

19.3. If an annual audit or review by an accountant is not performed, financial statements shall be submitted within ninety (90) days of the mid-point and end of the Contractor's fiscal year. The financial reports shall include:

19.3.1. Non-Profit Contractors – A Statement of Financial Position, Statement of Activities, and Statement of Changes in Net Assets and Statement of Cash Flows

19.3.2. For-Profit Contractors – A Balance Sheet, Income Statement, and Statement of Cash Flows

19.3.3. Public Entities are exempt from the semi-annual financial reporting requirement

19.4. If the Contractor is a non-profit organization or public entity, and expends federal funds or has federally-funded loan balances at the end of the Contractor's fiscal year, the Contractor shall prepare a Schedule of Expenditures of Federal Awards (SEFA) in accordance with 2 C.F.R §200.508. The Contractor shall submit the SEFA to Clark County within one-hundred-eighty (180) days of the end of the

Contractor's fiscal year.

19.5. If the Contractor expends $750,000 or more in federal funds during the fiscal year, a single audit is required. The Contractor shall provide the County with a Corrective Action Plan for any audit findings as well as a copy of any Management Letter, SAS 114, or Governance Letter within thirty (30) days of issuance by the auditor. Failure to fulfill this requirement may result in corrective action, including withholding payment until the financial information or audit is received.

19.5.1. Non-Profit Contractors and Public Entities – The audit report must meet the requirements of 2 C.F.R Part 200 with assurances of financial record-keeping that identifies all federal funds received and expended by the OMB Catalog of Federal Domestic Assistance number. 2 C.F.R Part 200 requires the Contractor to provide the auditor with a Schedule of Expenditures of Federal Awards (SEFA) for the fiscal year(s) being audited. Audits for fiscal years that include this Contract shall be completed and submitted to the County within nine (9) months from the end of the Contractor's fiscal year unless otherwise approved by the County in writing.

19.5.2. For-Profit Contractors – An independent audit, an independent limited scope audit, or other evidence negotiated with and approved by the County that provides positive assurance of meeting GAAP or GGAAP. Independent audits for fiscal years that include this Contract shall be completed and submitted to the County within nine (9) months from the end of the Contractor's fiscal year unless otherwise approved by the County in writing. Failure to fulfill this requirement may result in corrective action, including withholding payment until the financial information or audit is received.

20. GOVERNING LAW AND VENUE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Clark County.

21. INDEMNIFICATION

CPU hereby agrees to indemnify, defend, save and hold harmless the State of Washington, Commerce, all other agencies of the state and all officers, agents and employees of the state, and the County, its officials, agents, and employees, from any and all liability, demands, claims, causes of action, suits or judgments, including costs, attorney fees and expenses incurred in connection therewith, or whatsoever kind or nature, arising out of, or in connection with, or incident to, the performance of this Contract, except those caused by the negligence of the County. CPU agrees to indemnify and hold harmless the County, the State and its officers, employees and authorized agents for any damages related to CPU's unauthorized use of personal information.

22. INSURANCE

22.1. At the execution of this Contract, the Contractor must provide an original ACORD Form with the Commercial General Liability (CGL) or Business Owners Policy (BOP), showing the broker of record, insurance limits, renewal dates, deductible that is less than or equal to $5,000, and $1,000,000 of annually renewing occurrence based coverage. In the case where the underlying insurance policy is expended due to excessive defense and/or indemnity claims, before renewal, the Contractor warrants and guarantees the coverage limits, to include indemnity and defense up to the listed limit, from its own resources regardless of coverage status due to cancellation, reservation of rights, or any other no-coverage-in-force reason. Coverage shall not contain any endorsements excluding nor limiting product/completed operations, contractual liability or cross liability. In all cases, the Contractor's policy is primary and they waive their right of subrogation.

22.2. The Contractor agrees to endorse the County as an "Additional Insured" on the CGL or BOP policy with the following, or similar, endorsement providing equal or broader additional insured coverage: the CG2026 07 04 Additional Insured – Designated Person or Organization endorsement, or the CG2010 10 01 Additional Insured – Owners, Contractor, or the CG2010 07 04 Contractor, or Contractor endorsement, including the "Additional Insured" endorsement of CG2037 10 01 Additional Insured – Owners, Contractor – Completed Operations, which shall be required to provide back coverage for the Contractor's "your work" as defined in the policy and liability arising out of the products-completed operations hazard. The Additional Insured Endorsement shall read "Clark County Washington".

22.3. At the execution of this Contract, and assuming vehicles are used in the Contractor's business, an ACORD Form shall be provided with $1,000,000 in annually renewing occurrence based coverage for all vehicles owned, used, or leased by Contractor. If vehicles are not used, on letterhead, a letter to the County must state the same. This coverage may be added to the above CGL or BOP ACORD Form(s).

22.4. The Contractor shall provide to the County proof of a professional liability/errors and omissions insurance policy to protect against legal liability arising out of Contract activity. Coverage shall include medical malpractice if medical services are provided. Such insurance shall provide a minimum of $1,000,000 per occurrence, with a $3,000,000 aggregate, with a maximum deductible of $5,000. It should be an occurrence based policy. However, if the policy is a claims-made policy, then tail coverage must be provided for three (3) years after the end of the Contract.

22.5. All insurers used must have an AM Best Rating of A-VII or better. The Contractor shall provide its own insurance protection at its own expense for any property (contents or personal property) maintained on the premises. In addition, the Contractor shall insure the real property and all fixtures and improvements for its full insurable replacement value against loss or damage by fire and other hazards included within the term "extended coverage." All policies and renewals

on the real property shall be in a form and with a carrier acceptable to the County. The Contractor shall maintain insurance throughout the Contract term and if a policy is cancelled or terminated, it is the Contractor's responsibility to provide evidence of continuing coverage during the overlap periods of the policy and to notify the County of any change in its insurance. The address for all certificates will be written as follows: Clark County, Department of Community Services, Attention: Contracts Unit, P.O. Box 5000, Vancouver, WA 98666-5000.

22.6. The Contractor may provide evidence of self-insurance to protect against legal liability arising out of Contract activity. It is the Contractor's responsibility to provide evidence of continuing coverage during the overlap periods of the policy and the Contract and to notify the County of any change in its insurance. All insurers used must have an AM Best's Rating of A-VII or better. The Contractor shall provide its own insurance protection at its own expense for any property (contents or personal property) maintained on the premises. The address for all certificates will be written as follows: Clark County Washington, PO Box 5000, Vancouver, WA 98666-5000.

22.7. Contractor shall provide the County with proof of fidelity coverage. Every officer, director, employee, or agent who is authorized to act on behalf of the Contractor for the purpose of receiving or depositing funds, or issuing financial documents, checks, or other instruments of payment shall be insured to provide protection against loss. The amount of fidelity coverage secured shall be $100,000 or the highest planned reimbursement for the grant period, whichever is lowest. Fidelity Insurance secured pursuant to this paragraph shall name Clark County as a beneficiary.

23. MODIFICATION

This Contract may be amended with the mutual consent of the parties. Except as provided elsewhere in this Contract, changes shall not be valid or binding upon either party unless such change is in writing by contract modification and executed by both parties.

24. MONITORING AND EVALUATION

24.1. CPU shall furnish reports, statements, records, data and other information to the County, state, Federal, or other funding agencies at such times and on such forms as are specified by each contract and are supplied by the County. CPU agrees to cooperate and participate in the County's monitoring and evaluation process, including desk reviews of documentation and billings submitted by CPU.

24.2. Monitoring and evaluation may be conducted to ensure program and fiscal accountability and effective use of funds. CPU will be notified in advance of any monitoring and/or evaluation site visits; however, the County reserves the right to conduct on-site visits without prior notification to CPU as deemed necessary. Copies of the monitoring and program evaluation instruments will be provided to CPU upon written request.

25. ORDER OF PRECEDENCE

In the event of an inconsistency in this Contract, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order:

25.1. Applicable federal statutes and regulations

25.2. Applicable state of Washington statutes and regulations

25.3. Department of Commerce LIHEAP Contract 16-32606-058, as amended

25.4. Special Terms and Conditions contained in this Contract

25.5. Statement of Work in this Contract

25.6. LIHEAP Policies and Procedures

26. PERFORMANCE STANDARDS AND LICENSING

CPU shall comply with all applicable local, state, and federal licensing and accrediting requirements/standards, additional requirements contained in Statement of Work of this Contract, and any other standards or criteria established by the County or the State to assure quality of services necessary for the performance of this Contract.

27. PROCUREMENT

27.1. Contractor must establish procurement policies and procedures in accordance with 2 C.F.R. Part 200, for all purchases funded by this contract.

27.2. Contractor must receive prior written approval from the County for using funds from this contract to enter into a sole source contract or a contract where only one bid or proposal is received.

28. NONDISCRIMINATION AND PROTECTION OF INDIVIDUAL RIGHTS

During the performance of this Contract, the Contractor shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Contractor's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this Contract may be rescinded, canceled or terminated in whole or in part, and the Contractor may be declared ineligible for further Contracts with the County. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance.

29. RECORDS RETENTION

Required records will be retained for at least a period of six (6) years from the date of the submission of the final performance report in which the activity is covered, except as follows:

29.1. Records that are the subject of audit findings will be retained for the minimum period or until such audit findings have been resolved, whichever is later.

29.2. The retention period for real property and equipment records starts from the date of the disposition, or replacement, or transfer, if applicable.

29.3. Any record with a longer retention schedule for purposes of public records disclosure required by The Revised Code of Washington (RCW).

30. RELATIONSHIP OF THE PARTIES

The parties intend that an independent CPU/County relationship will be created by this Contract. No agent, employee, or representative of the CPU shall be deemed to be an employee, agent, representative of the County for any purpose, and the employees of the CPU are not entitled to any of the benefits the County provides for County employees. CPU will be solely and entirely responsible for its acts and for the acts of its agents, employees, subcontractors, or otherwise during the performance of this Contract.

31. SEVERABILITY

The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.

32. SUBCONTRACTING

32.1. Neither CPU nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this Contract without obtaining prior written approval of the County. In no event shall the existence of the subcontract operate to release or reduce the liability of CPU to the County for any breach in the performance of CPU's duties. This clause does not include contracts of employment between CPU and personnel assigned to work under this Contract.

32.2. Additionally, CPU is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Contract are carried forward to any subcontracts. CPU and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the agency or as provided by law.

33. SURVIVAL

The terms, conditions and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

34. TERMINATION

34.1. The award or continuation of this Contract is dependent upon the availability of

future funding. The County's payment obligations are payable only and solely from funds both appropriated and otherwise legally available for this Contract. The absence of appropriated or other lawfully-available funds shall render the Contract null and void to the extent funds are not appropriated or available.

The County shall provide the Contractor with written notice of the failure of the County to make or receive an adequate appropriation for any fiscal year to pay the amounts due under the Contract or of the reduction of any appropriation to an amount insufficient to permit the County to pay its remaining obligations under the Contract.

34.2. The County shall have the right to terminate this Contract, in whole or in part, without cause, upon ten (10) calendar days' prior written notice.

Upon receipt of a notice of termination by the County, the Contractor shall promptly cease all further work pursuant to this Contract, with such exceptions, if any, specified in the notice of termination. If this Contract is so terminated, County shall be liable only for payment required under the terms of the Contract for services rendered or goods delivered prior to the effective date of the termination.

34.3. Contractor may terminate this Contract for a substantial and material breach by the County upon ten (10) days prior written notice.

34.4. Upon termination of this Contract any unexpended balance of Contract funds will remain with the County. If termination occurs for cause, the Contractor shall immediately and without prior notice required return to the County all funds that were expended in violation of the terms of this Contract.

35. PROPERTY

The parties will not acquire any jointly-owned real or personal property in connection with the performance of this Agreement. Upon termination, any real or personal property used or acquired by the County or CPU in connection with the performance of this Agreement shall be disposed of by that party as it shall determine in its discretion.

36. WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by the parties.

37. CLAIMS OR DAMAGES

The County, Washington State Department of Commerce, and the State of Washington are not liable for claims or damages arising from the Contractor's performance of this Contract.

38. POLITICAL ACTIVITIES

No funds may be used for working for or against ballot measures or for or against the candidacy of any person for public office.