



**CONTRACT BETWEEN  
THE CITY OF AUSTIN  
AND  
FRONT STEPS, INC.  
FOR**

**SOCIAL SERVICES**

**CONTRACT NO. NG-12 00000 54**

**CONTRACT AMOUNT: \$ 376,409**

On April 26, 2012, the City Council for the City of Austin, a home-rule municipal corporation situated in Hays, Travis and Williamson Counties (City), approved an "Agreement for Social Services" (Agreement) between the City and Front Steps, Inc., a non-profit corporation (Contractor), from April 1, 2012 until September 30, 2014. The Agreement was approved with two (2) 12-month renewal options.

The City of Austin received grant funds from Texas Department of Housing and Community Affairs for the Homeless Housing and Services Program (HHSP) to provide homeless services and permanent supportive housing. The City Council authorized the expenditure of these funds on January 12, 2012 for the Homeless Housing and Services Program (HHSP) for services provided by the Contractor to eligible homeless persons in Austin/Travis County. The City and the Contractor (Parties) wish to set out the terms and conditions under which these services shall be provided in accordance with the Texas Government Code Section 2306.053, Riders 18 and 19 of the General Appropriations Act -- 81st Legislative Session and codified during the 82nd Texas Legislature, as Title 10. Community Development, Part 1. Texas Department of Housing and Community Affairs, Chapter 5. Community Affairs Programs.

This Contract is made by and between the City of Austin ("City") acting by and through its Health and Human Services Department ("HHSD"), a home-rule municipality incorporated by the State of Texas, and FRONT STEPS INC. ("Contractor"), a Texas non-profit corporation, having offices at 500 EAST SEVENTH, AUSTIN, TEXAS.

**SECTION 1. GRANT OF AUTHORITY, SERVICES AND DUTIES**

**1.1 Engagement of the Contractor.** Subject to the general supervision and control of the City and subject to the provisions of the Terms and Conditions contained herein, the Contractor is engaged to provide the services set forth in the Program Work Statement, attached hereto as Exhibit A.

**1.2 Responsibilities of the Contractor.** The Contractor shall provide all technical and professional expertise, knowledge, management, and other resources required for accomplishing all aspects of the tasks and associated activities identified in the Program Work Statement. The Contractor shall assure that all Contract provisions are met by the Subcontractor.

**1.3 Responsibilities of the City.** The City's Contract Manager will be responsible for exercising general oversight of the Contractor's activities in completing the Program Work Statement. Specifically, the Contract Manager will represent the City's interests in resolving day-to-day issues that may arise during the term of this Contract, shall participate regularly in conference calls or meetings for status reporting, shall promptly review any written reports submitted by the Contractor, and shall approve all requests for payment for

payment, as appropriate. The City's Contract Manager shall give the Contractor timely feedback on the acceptability of progress and task reports.

1.4 **Designation of Key Personnel.** City's Contract Manager for this Contract shall be responsible for oversight and monitoring of Contractor's performance under this Contract.

1.4.1 City's Contract Manager, NATASHA PONCZEK or designee:

- may meet with Contractor to discuss any operational issues or the status of the services or work to be performed; and

- shall promptly review all written reports submitted by Contractor, determine whether the reports comply with the terms of this Contract, and give Contractor timely feedback on the adequacy of progress and task reports or necessary additional information.

1.4.2 Contractor's Contract Manager, STEPHEN LUTERAN, Homeless Services Coordinator, shall represent the Contractor with regard to performance of this Contract and shall be the designated point of contact for the City's Contract Manager.

1.4.3 If either party replaces its Contract Manager, that party shall promptly send written notice of the change to the other party. The notice shall identify a qualified and competent replacement and provide contact information.

## **SECTION 2. TERM**

2.1 **Term of Contract.** The Contract shall be in effect for an initial term of thirty (30) months beginning April 1, 2012 and may be extended thereafter for up to two (2) additional twelve (12) month periods, subject to the approval of the Contractor and the City Purchasing Officer or his designee.

2.1.1 Upon expiration of the initial term or period of extension, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary to re-solicit and/or complete the project (not to exceed 120 calendar days unless mutually agreed on in writing).

## **SECTION 3. PROGRAM WORK STATEMENT**

3.1 **Contractor's Obligations.** The Contractor shall fully and timely provide all services described in Exhibit A., Program Work Statement in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.

## **SECTION 4. COMPENSATION AND REPORTING**

4.1 **Contract Amount.** The Contractor acknowledges and agrees that, notwithstanding any other provision of this Contract, the maximum amount payable by City under this Contract for the initial thirty (30) month term shall not exceed the amount approved by City Council, which is \$376,409 (*dollar amount*), and \$100,000 (*dollar amount*) per twelve (12) month extension option, for a total Contract amount of \$576,409. Continuation of the Contract beyond the initial thirty (30) months is specifically contingent upon the availability and allocation of funding by City Council.

4.2 **Requests for Payment.**

Payment to the Contractor shall be due thirty (30) calendar days following receipt by City's Contract Manager of Contractor's fully completed "Payment Request" and "Monthly Expenditure Report", using the forms shown at <http://www.ckodm.com/austin/>. The payment request and expenditure report must be submitted to the City's Contract Manager no later than fifteen (15) calendar days following the end

of the month covered by the request and expenditure report. Contractor shall provide supporting documentation upon request by City.

4.2.1 Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.

4.2.2 Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

#### 4.3 **Payment.**

4.3.1 All proper requests for payment received by the City will be paid within thirty (30) calendar days of the City's receipt of the deliverables or of the invoice, whichever is later. Requests for payment received without all required information cannot be processed and will be returned to the Contractor.

4.3.2 If payment is not timely made, (per this paragraph), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.

4.3.3 The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of;

4.3.3.1 delivery of unsatisfactory services by the Contractor;

4.3.3.2 third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;

4.3.3.3 failure of the Contractor to pay Subcontractors, or for labor, materials or equipment,

4.3.3.4 damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;

4.3.3.5 reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;

4.3.3.6 failure of the Contractor to submit proper payment requests and expenditure reports with all required attachments and supporting documentation; or

4.3.3.7 failure of the Contractor to comply with any material provision of the Contract.

4.3.4 Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City. Payment will be made by check unless the parties mutually agree to payment by electronic transfer of funds.

4.4 **Non-Appropriation.** The awarding or continuation of this Contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and 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 and any deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

4.5 **Travel Expenses.** All approved travel, lodging, and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Contract will be reviewed against the City's Travel Policy and the current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

<http://www.gsa.gov/portal/category/21287>

No amounts in excess of the Travel Policy or Rates shall be paid. No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulation.

#### **4.6 Final Payment and Close-Out.**

4.6.1 The making and acceptance of final payment will constitute:

4.6.1.1 a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and

4.6.1.2 a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

#### **4.7 Financial Terms.**

4.7.1 City agrees to pay Contractor for services rendered under this Contract and to reimburse Contractor for actual, eligible expenses incurred and billed in accordance with all terms and conditions of this Contract. City shall not be liable to Contractor for any costs incurred by Contractor which are not reimbursable as set forth in Section 4.8.

4.7.2 City's obligation to pay is subject to the timely receipt of complete and accurate reports as set forth in Section 4.9.1 and any other deliverable required under this Contract.

4.7.3 Payments to the Contractor will immediately be suspended upon the occasion of any late, incomplete, or inaccurate report, audit, or other required report or deliverable under this Contract, and payments will not be resumed until the Contractor is in full compliance.

4.7.4 City shall not be liable to Contractor for any costs which have been paid under other agreements or from other funds. In addition, City shall not be liable for any costs incurred by Contractor which were: a) incurred prior to the effective date of this Contract, or b) not billed to City within sixty (60) calendar days following termination date of this Contract.

4.7.5 Contractor agrees to refund to City any funds paid under this Contract which City determines have resulted in overpayment to Contractor or which City determines have not been spent by Contractor in accordance with the terms of this Contract. Refunds shall be made by Contractor within thirty (30) calendar days after a written refund request is submitted by City. City may, at its discretion, offset refunds due from any payment due Contractor, and City may also deduct any loss, cost, or expense caused by Contractor from funds otherwise due.

4.7.6 Contractor shall deposit and maintain all funds received under this Contract in either a separate numbered bank account or a general operating account, either of which shall be supported with the maintenance of a separate accounting with a specific chart which reflects specific revenues and expenditures for the monies received under this Contract. The Contractor's accounting system must identify the specific expenditures, or portions of expenditures, against which funds under this Contract are disbursed.

4.7.7 Contractor is required to utilize an online contract management system for billing and reporting in accordance with City guidelines, policies, and procedures. Contractor is responsible for all data entered/edited under its unique username, as well as all required but omitted data.

#### **4.8 Allowable and Unallowable Costs.**

The City shall make the final determination of whether a cost is allowable or unallowable under this Contract.

4.8.1 Reimbursement Only. Expenses and/or expenditures shall be considered reimbursable if incurred directly and specifically in the performance of this Contract and if in conformance with the Program Work Statement. Contractor agrees that, unless otherwise specifically provided for in this Contract, payment by the City under the terms of this Contract is made on a reimbursement basis only; Contractor must have incurred and paid costs prior to those costs being invoiced and considered allowable under this Contract and subject to payment by the City.

4.8.2 To be allowable under this Contract, a cost must meet all of the following general criteria:

1. Be reasonable for the performance of the activity under the Contract.
2. Conform to any limitations or exclusions set forth in this Contract.
3. Be consistent with policies and procedures that apply uniformly to both government-financed and other activities of the organization.
4. Be determined and accounted in accordance with generally accepted accounting principles (GAAP).
5. Be adequately documented.

4.8.3 The City's prior written authorization is required in order for the following to be considered allowable costs. Inclusion in the budget within this Contract constitutes "written authorization."

1. Alteration, construction, or relocation of facilities
2. Contingency provisions (funds). (Excludes self-insurance reserves and pension funds)
3. Depreciation (need standardized guidance from Managers on when Depreciation is considered allowable).
4. Entertainment costs
5. Equipment and other capital expenditures.
6. Fundraising, development, and investment management costs
7. Idle facilities and idle capacity
8. Interest, other than mortgage interest as part of a pre-approved budget under this Contract
9. Organization costs (costs in connection with the establishment or reorganization of an organization)
10. Public relations costs, except reasonable, pre-approved advertising costs related directly to services provided under this Contract
11. Purchases of tangible, nonexpendable property, including fax machines, stereo systems, cameras, video recorder/players, microcomputers, software, printers, microscopes, oscilloscopes, centrifuges, balances and incubator, or any other item having a useful life of more than one year and an acquisition cost, including freight, of over one thousand dollars (\$1,000)
12. Selling and marketing
13. Travel/training outside Travis County

4.8.4 The following types of expenses are specifically **not allowable** with City funds under this Contract:

1. Alcoholic beverages
2. Bad debts
3. Compensation of trustees, directors, officers, or advisory board members, other than those acting in an executive capacity
4. Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringement
5. Deferred costs
6. Donations and contributions including donated goods or space
7. Fines and penalties (including late fees)
8. Goods or services for officers' or employees' personal use

9. Housing and personal living expenses for organization's officers or employees
10. Litigation-related expenses (including personnel costs) in action(s) naming the City as a Defendant
11. Lobbying or other expenses related to political activity
12. Losses on other agreements or contracts or casualty losses
13. Selling and marketing
14. Taxes, other than payroll and other personnel-related levies

#### 4.9 **Reports.**

4.9.1 Contractor shall submit a fully and accurately completed "Payment Request" and "Monthly Expenditure Report" to the City's Contract Manager using the forms shown at <http://www.ckodm.com/austin/> no later than fifteen (15) calendar days following the end of the month covered by the request and expenditure report. Contractor shall provide complete and accurate supporting documentation upon request by City. Upon receipt and approval by the City of each complete and accurate Payment Request and Monthly Expenditure Report, the City shall process payment to the Contractor of an amount equal to City's payment obligations, subject to deduction for any unallowable costs.

4.9.2 Contractor shall submit a quarterly performance report for City Social Services funding using the format and method specified by the City no later than fifteen (15) calendar days following each calendar quarter. Contractor shall provide complete and accurate supporting documentation upon request by City. Payment Requests will not be approved if any accurate and complete performance report, including any required documentation, is past due. Performance reports on a frequency other than quarterly may be required by the City based upon business needs.

4.9.3 Contractor shall submit a "Monthly HHSP Performance Measure Report", in the form required by TDHCA, to City's Contract Manager no later than twelve (12) calendar days following each calendar quarter. Payment Requests will not be approved if the Monthly Performance Measure Report for that month has not been received. The Contractor shall submit such other reports as may be reasonably required by the City to document Contractor's performance.

4.9.4 An annual Contract closeout report using the forms shown at <http://www.ckodm.com/austin/> shall be completed by the Contractor and submitted to the City within sixty (60) calendar days following the expiration or termination of this Contract. Any encumbrances of funds incurred prior to the date of termination of this Contract shall be subject to verification by City. Upon termination of this Contract, any unused funds, unobligated funds, rebates, credits, or interest earned on funds received under this Contract shall be returned to the City.

4.9.5 Contractor shall provide the City with a copy of the completed Administrative and Fiscal Review (AFR) using the forms shown at <http://www.ckodm.com/austin/>, and required AFR Attachments, including a copy of the Contractor's completed Internal Revenue Service Form 990 or 990EZ (Return of Organization Exempt from Income Tax) if applicable, for each calendar year no later than May 31st of each year. If Contractor filed a Form 990 or Form 990EZ extension request, Contractor shall provide City with a copy of that application of extension of time to file (IRS Form 2758) within thirty (30) days of filing said form(s), and a copy of the final IRS Form 990 document(s) immediately upon completion.

4.9.6 Contractor shall provide other reports required by the City to document the effective and appropriate delivery of services as outlined under this Contract as required by the City.

#### 4.10 **Contractor Policies and Procedures.** Contractor shall maintain written policies and procedures approved by its governing body and shall make copies of all policies and procedures available to the City upon request. At a minimum, written policies shall exist in the following areas: Financial Management; Subcontracting and/or Procurement; Equal Employment Opportunity; Personnel and Personnel Grievance; Nepotism; Non-Discrimination of Clients; Client Grievance; Drug Free Workplace; the Americans With Disabilities Act; and Criminal Background Checks.

#### 4.11 **Monitoring and Evaluation.**

4.11.1 Contractor agrees that the City or its designee may carry out monitoring and evaluation activities to ensure adherence by the Contractor and Subcontractors to the Program Work Statement, Program Performance Measures, and Program Budget, as well as other provisions of this Contract. Contractor shall fully cooperate in any monitoring or review by the City and further agrees to designate a staff member to coordinate monitoring and evaluation activities.

4.11.2 Contractor shall provide City with copies of all evaluation or monitoring reports received from other funding sources during the Contract Term within twenty (20) working days following the receipt of the final report.

4.11.3 Contractor shall keep on file copies of all notices of Board of Directors meetings, Subcommittee or Advisory Board meetings, and copies of minutes of those meetings.

#### 4.12 **Financial Audit of Contractor.**

4.12.1 In the event Contractor receives combined receipts of federal financial assistance and outstanding federal direct, guaranteed or insured loan balances totaling five hundred thousand dollars (\$500,000) or more for any one-year period, Contractor shall submit to the City a complete set of audited financial statements and the auditor's opinion and management letters in accordance with 24 CFR, Part 44, OMB Circular A-133, the Single Audit Act of 1984, and the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions covering Contractor's fiscal year until the end of the term of this Contract.

4.12.2 If Contractor is not subject to the Single Audit Act, and expending five hundred thousand dollars (\$500,000) or more during the Contractor's fiscal year, then Contractor shall have a full financial audit performed. If less than five hundred thousand dollars (\$500,000) is expended, then a financial review is acceptable, pursuant to the requirements of this Contract.

4.12.3 Contractor shall contract with an independent auditor utilizing a Letter of Engagement. The auditor must be a Certified Public Accountant recognized by the regulatory authority of the State of Texas.

4.12.4 Contractor must submit one (1) Board-approved, bound hard copy of a complete financial audit report or financial review, to include the original auditor opinion, within one hundred eighty (180) calendar days of the end of Contractor's fiscal year, unless alternative arrangements are approved in writing by the City. The financial audit report/financial review must include the Management Letter if one was issued by the auditor. Contractor may not submit electronic copies of financial audit reports/financial reviews to the City. Financial audit reports/financial reviews must be provided in hard copy, and either mailed or hand-delivered to the City.

4.12.5 City will contact the independent auditor to verify:

- i. That the auditor completed the financial audit report/financial review received from the Contractor;
- ii. That the auditor presented the financial audit report/financial review to the Contractor's Board of Directors or a committee of the Board, and;
- iii. The date the financial audit report/financial review was presented to the Contractor's Board of Directors or a committee of the Board.

4.12.6 Contractor must submit a signed copy of the approved Board meeting minutes to the City, indicating the following:

- i. The Board of Directors, or a committee of the Board, has met with the independent auditor;
- ii. The Board of Directors has authorized and accepted the financial audit report/financial review.

Failure to submit the Board minutes will deem the financial audit report/financial review incomplete. Approved and signed Board minutes reflecting acceptance of the financial audit report/financial review will be due to the City within forty-five (45) days after the audit is due to the City. Board minutes regarding approval of the Contractor's financial audit report/financial review will be verified with the Contractor's Board Chair.

4.12.7 The inclusion of any Findings or a Going Concern Uncertainty in a Contractor's audit requires the creation and submission to the City of a corrective action plan formally approved by the Contractor's governing board. The plan must be submitted to the City within 60 days after the audit is due to the City. Failure to submit an adequate plan to the City may result in the immediate suspension of funding. If adequate improvement related to the audit findings is not documented within a reasonable period of time, the City may provide additional technical assistance, refer the Agreement to the City Auditor for analysis, or move to terminate the Agreement as specified in Section 5 of the Agreement.

4.12.8 The expiration or termination of this Contract shall in no way relieve the Contractor of the audit requirement set forth in this Section.

4.12.9 **Right To Audit By Office of City Auditor.**

4.12.9.1 Contractor agrees that the representatives of the Office of the City Auditor, or other authorized representatives of the City, shall have access to, and the right to audit, examine, and copy any and all records of the Contractor related to the performance under this Agreement during normal business hours (Monday – Friday, 8 am – 5 pm). In addition to any other rights of termination or suspension set forth herein, City shall have the right to immediately suspend the Agreement, upon written notice to Contractor, if Contractor fails to cooperate with this audit provision. The Contractor shall retain all such records for a period of five (5) years after the expiration or early termination of this Agreement or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.

4.12.9.2 Contractor shall include this audit requirements in any subcontracts entered into in connection with this Agreement.

4.13 **Ownership of Property.**

4.13.1 Ownership title to all capital acquisition, supplies, materials or any other property purchased with funds received under this Contract and in accordance with the provisions of the Contract, is vested with the City and such property shall, upon termination of the Contract, be delivered to the City upon request.

4.13.2 Written notification must be given to the City within five (5) calendar days of delivery of nonexpendable property (defined as anything that has a life or utility of more than one (1) year and an acquisition cost, including freight, of over one thousand dollars (\$1,000)) in order for the City to effect identification and recording for inventory purposes. Contractor shall maintain adequate accountability and control over such property, maintain adequate property records, and perform an annual physical inventory of all such property and report this information in the Annual Summary (close out) report due sixty (60) days after the end of the Contract Term.

4.13.3 In the event Contractor's services are retained under a subsequent agreement, and should Contractor satisfactorily perform its obligations under this Contract, Contractor shall be able to retain possession of non-expendable property purchased under this Contract for the duration of the subsequent agreement.



4.13.4 Property purchased with City funds shall convey to Contractor two (2) years after purchase, unless notified by the City in writing.

## **SECTION 5. TERMINATION**

- 5.1 **Right To Assurance.** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
- 5.2 **Default.** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under the "Right to Assurance paragraph herein, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by Contractor to the City.
- 5.3 **Termination For Cause.** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.
- 5.4 **Termination Without Cause.** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.
- 5.5 **Fraud.** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

## **SECTION 6. OTHER DELIVERABLES**

- 6.1 **Insurance.** The following insurance requirements apply.

### **6.1.1 General Requirements**

6.1.1.1 The Contractor shall at a minimum carry insurance in the types and amounts indicated herein for the duration of the Contract and during any warranty period.

6.1.1.2 The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within fourteen (14) calendar days after written request from the City.

6.1.1.3 The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.

6.1.1.4 The Contractor shall not commence work until the required insurance is obtained and has been reviewed by City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.

6.1.1.5 The Contractor must submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.

6.1.1.6 The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better. The City will accept workers' compensation coverage written by the Texas Workers' Compensation Insurance Fund.

6.1.1.7 All endorsements naming the City as additional insured, waivers, and notices of cancellation endorsements as well as the Certificate of Insurance shall contain the Contractor's email address, and shall be mailed to the following address:

City of Austin  
Health and Human Services Department  
ATTN: Community Based Resources  
P. O. Box 1088  
Austin, Texas 78767

6.1.1.8 The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.

6.1.1.9 If insurance policies are not written for amounts specified, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.

6.1.1.10 The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.

6.1.1.11 The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.

6.1.1.12 The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.

6.1.1.13 The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.

6.1.1.14 The Contractor shall endeavor to provide the City thirty (30) calendar days written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.

6.1.2 **Specific Coverage Requirements.** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

6.1.2.1 **Commercial General Liability Insurance.** The minimum bodily injury and property damage per occurrence are \$500,000\* for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injuries). The policy shall contain the following provisions and endorsements.

- 6.1.2.1.1 Blanket contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project
- 6.1.2.1.2 Independent Contractor's Coverage
- 6.1.2.1.3 Products/Completed Operations Liability for the duration of the warranty period
- 6.1.2.1.4 Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
- 6.1.2.1.5 Thirty (30) calendar days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
- 6.1.2.1.6 The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
- 6.1.2.1.7 If care of a child is provided outside the presence of a legal guardian or parent, Contractor shall provide coverage for sexual abuse and molestation for a minimum limit of \$500,000 per occurrence.
- 6.1.2.1.8 The policy shall be endorsed to cover injury to a child while the child is in the care of the Contractor or Subcontractor.

\* **Supplemental Insurance Requirement.** If eldercare, childcare, or housing for clients is provided, the required limits shall be \$1,000,000 per occurrence.

6.1.2.2 **Business Automobile Liability Insurance.**

Minimum limits: \$500,000 combined single limit per occurrence for all owned, hired and non-owned autos

- a. If any form of transportation for clients is provided, coverage for all owned, non-owned, and hired vehicles shall be maintained with a combined single limit of \$1,000,000 per occurrence.
- b. If no client transportation is provided but autos are used within the scope of work, and there are no agency owned vehicles, evidence of Personal Auto Policy coverage from each person using their auto may be provided. The following limits apply for personal auto insurance: \$100,000/\$300,000/\$100,000.

All policies shall contain the following endorsements:

- 6.1.2.2.1. Waiver of Subrogation, Endorsement TE 2046A, or equivalent coverage
- 6.1.2.2.2. Thirty (30) calendar days Notice of Cancellation, Endorsement TE 0202A, or equivalent coverage
- 6.1.2.2.3 The City of Austin listed as an additional insured, Endorsement TE 9901B, or equivalent coverage

6.1.2.3 **Worker's Compensation and Employers' Liability Insurance.** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee. The policy shall contain the following provisions and endorsements:

6.1.2.3.1 The Contractor's policy shall apply to the State of Texas

6.1.2.3.2 Waiver of Subrogation, Form WC 420304, or equivalent coverage

6.1.2.3.3 Thirty (30) calendar days Notice of Cancellation, Form WC 420601, or equivalent coverage

6.1.2.4 **Professional Liability Insurance.** (will ask Risk Manager why the 30-day notice of cancellation is not provided for Professional, Crime, and D&O).

6.1.2.4.1 Contractor shall provide coverage at a minimum limit of \$500,000 per claim to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Contract.

6.1.2.4.2 If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for twenty-four (24) months following the completion of the Contract.

6.1.2.5 **Blanket Crime Policy Insurance.** A Blanket Crime Policy shall be required with limits equal to or greater than the sum of all Contract funds allocated by the City. Acceptance of alternative limits shall be approved by Risk Management.

6.1.2.6 **Directors and Officers Insurance.** Directors and Officers Insurance with a minimum of not less than \$1,000,000 per claim shall be in place for protection from claims arising out of negligent acts, errors or omissions for directors and officers while acting in their capacities as such. If coverage is underwritten on a claims-made basis, the retroactive date shall be coincident with or prior to the date of the Contract and the certificate of insurance shall state that the coverage is claims made and the retroactive date. The coverage shall be continuous for the duration of the Contract and for not less than twenty-four (24) months following the end of the Contract. Coverage, including renewals, shall have the same retroactive date as the original policy applicable to the Contract or evidence of prior acts or an extended reporting period acceptable to the City may be provided. The Contractor shall, on at least an annual basis, provide the City with a certificate of insurance as evidence of such insurance.

6.1.2.7 **Property Insurance.** If the Contract provides funding for the purchase of property or equipment the Contractor shall provide evidence of all risk property insurance for a value equivalent to the replacement cost of the property or equipment.

6.1.2.8 **Endorsements.** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

6.1.2.9 **Certificate.** The following statement must be shown on the Certificate of Insurance.

"The City of Austin is an Additional Insured on the general liability and the auto liability policies. A Waiver of Subrogation is issued in favor of the City of Austin for general liability, auto liability and workers compensation policies."

## 6.2 **Equal Opportunity.**

6.2.1.1 **Equal Employment Opportunity.** No Contractor or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Bid submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Contractor has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. The Contractor shall sign and return the Non-Discrimination Certification attached hereto as Exhibit B. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the Contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4. Any Subcontractors used in the performance of this contract and paid with City funds must comply with the same nondiscrimination requirements as the Contractor.

6.2.2 **Americans With Disabilities Act (ADA) Compliance.** No Contractor, or Contractor's agent shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

6.3 **Inspection of Premises.** City has the right to enter Contractor's and Subcontractor's work facilities and premises during Contractor's regular work hours, and Contractor agrees to facilitate a review of the facilities upon reasonable request by the City.

6.4 **Rights to Proposal and Contractual Material.** All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.

6.5 **Publications.** All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

## SECTION 7. **WARRANTIES**

7.1 **Authority.** Each party warrants and represents to the other that the person signing this Contract on its behalf is authorized to do so, that it has taken all action necessary to approve this Contract, and that this Contract is a lawful and binding obligation of the party.

7.2 **Performance Standards.** Contractor warrants and represents that all services provided under this Contract shall be fully and timely performed in a good and workmanlike manner in accordance with generally accepted community standards and, if applicable, professional standards and practices.

Contractor may not limit, exclude, or disclaim this warranty or any warranty implied by law, and any attempt to do so shall be without force or effect. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source. Contractor agrees to participate with City staff to update the performance measures.

## **SECTION 8. MISCELLANEOUS**

8.1 **Criminal Background Checks.** Contractor and Subcontractor agree to perform a criminal background check on every employee or volunteer whose duties place him or her in contact with children under eighteen (18) years of age. Contractor shall not assign or allow any employee or volunteer to be in direct contact with children if the employee or volunteer would be barred from contact with children under the rules established for child care facilities by the Texas Department of Family and Protective Services.

8.2 **Compliance with Health, Safety, and Environmental Regulations.** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

8.3 **Stop Work Notice.** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.

### **8.4 Indemnity.**

#### **8.4.1 Definitions:**

8.4.1.1 "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:

8.4.1.1.1 damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or;

8.4.1.1.2 death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),

8.4.1.2 "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

8.4.2 The Contractor shall defend (at the option of the City), indemnify, and hold the City, its successors, assigns, officers, employees and elected officials harmless from and against all Indemnified Claims Directly arising out of, incident to, concerning or resulting from the Fault of the Contractor, or the Contractor's agents, employees or subcontractors, in the performance of the Contractor's obligations under the Contract. Nothing herein shall be deemed to limit the rights of the City or the Contractor (including, but not limited to, the right to seek contribution) against any third party who may be liable for an indemnified claim.

8.5 **Claims.** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform hereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2<sup>nd</sup> Street, 4<sup>th</sup> Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

8.6 **Business Continuity.** Contractor warrants that it has adopted a business continuity plan that describes how Contractor will continue to provide services in the event of an emergency or other unforeseen event, and agrees to maintain the plan on file for review by the City. Contractor shall provide a copy of the plan to the City's Contract Manager upon request at any time during the term of this Contract, and the requested information regarding the Business Continuity Plan shall appear in the annual Administrative and Fiscal Review document. Contractor also agrees to participate in the City's Emergency Preparedness and Response Plan and other disaster planning processes.

8.7 **Notices.** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, email, or other commercially accepted means. Notices to the City and the Contractor shall be addressed as follows:

To the City:	To the Contractor:	With copy to:
City of Austin, Health and Human Services Department Community Services Division	FRONT STEPS, INC.	City of Austin Health and Human Services Dept.
ATTN: Assistant Director	ATTN: Stephen Luteran, Executive Director	Attn: Carlos Rivera Director
7201 Levander Loop Austin, TX 78702	500 East Seventh Austin, TX 78701	7201 Levander Loop, Bldg. E Austin, TX 78702

8.8 **Confidentiality.** In order to provide the deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Contract, unless the Confidential Information is required to be

disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.

- 8.9 **Advertising.** Where such action is appropriate as determined by the City, Contractor shall publicize the activities conducted by the Contractor under this Agreement. Any news release, sign, brochure, or other advertising medium including websites disseminating information prepared or distributed by or for the Contractor shall recognize the City as a funding source and include a statement that indicates that the information presented does not officially represent the opinion or policy position of the City.
- 8.10 **No Contingent Fees.** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.
- 8.11 **Gratuities.** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.
- 8.12 **Prohibition Against Personal Interest in Contracts.** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.
- 8.13 **Independent Contractor.** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.
- 8.14 **Assignment-Delegation.** The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.
- 8.15 **Waiver.** No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a



permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

8.16 **Modifications.** The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.

8.17 **Interpretation.** The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

8.18 **Dispute Resolution.**

8.18.1 If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

8.18.2 If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

8.19 **Minority And Women Owned Business Enterprise (MBE/WBE) Procurement Program.**

MBE/WBE goals do not apply to this Contract.

8.20 **Subcontractors.**

8.20.1 If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan, the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of

any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.

8.20.2 Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:

8.20.2.1 require that all deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract. The City may require specific documentation to confirm Subcontractor compliance with all aspects of this Contract.

8.20.2.2 prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;

8.20.2.3 require Subcontractors to submit all requests for payment and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;

8.20.2.4 require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and

8.20.2.5 require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.

8.20.3 The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.

8.20.4 The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten days after receipt of payment from the City.

8.21 **Jurisdiction And Venue.** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

8.22 **Invalidity.** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall

not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

8.23 **Holidays.** The following holidays are observed by the City:

<u>HOLIDAY</u>	<u>DATE OBSERVED</u>
New Year's Day	January 1
Martin Luther King, Jr's Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

8.24 **Survivability of Obligations.** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

8.25 **Non-Suspension or Debarment Certification.** The City is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a contract with the City, the Contractor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

In witness whereof, the parties have caused duly authorized representatives to execute this Contract on the dates set forth below.

FRONT STEPS, INC.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Printed Name

Title: \_\_\_\_\_

Date: \_\_\_\_\_

CITY OF AUSTIN

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Purchasing Office

Date: \_\_\_\_\_

## **EXHIBITS**

**Exhibit A – Program Work Statement and Program Performance Measures**

**Exhibit B – Program Budget Forms**

**Exhibit C – TDHCA HHSP Contract Administration**

**Exhibit D – Homeless Management Information Systems Requirements**

## **PROGRAM WORK STATEMENT**

Social Service Contracts – City of Austin

**April 1, 2012 – September 30, 2014**

**Agency name: Front Steps**

**Updated: May 8, 2012**

**Program name: Permanent Supportive Housing Services – City funded**

### **1. Program Goals and Objectives**

Based on the belief that all people deserve the dignity of a safe place to call home, Front Steps' mission is to provide a pathway to hope through shelter, affordable housing, and community education. Having this mission in mind, Front Steps manages its HUD Permanent Supportive Housing (PSH) Programs by incorporating best practices such as the Housing First and Harm Reduction Models, having a low client to case manager ratio to ensure individualized intensive case management and providing effective, coordinated, integrated supportive services. Services built into Front Steps' PSH programs aim to serve chronically homeless and vulnerable frequent users of the ARCH and to work with this challenging population to increase self-sufficiency, access to services, and stability, leading to an increase in the individual's quality of life.

### **2. Program Clients Served**

The population to be served is the most vulnerable frequent service users of the ARCH and medically fragile clients being exited from Front Steps' medical respite program who also meet the HEARTH ACT definition of homeless focused on but not limited to individuals meeting chronically homeless criteria. Front Steps maintains a list of frequent service users compiled from HMIS data, and conducts vulnerability assessments using Seattle's Downtown Emergency Service Center Vulnerability Assessment Tool (DESC VAT). DESC's Vulnerability Assessment Tool has become widely recognized by other homeless service providers as a viable instrument for determining placement of chronically homeless people into supportive housing. Criminal history will not exclude eligibility for any of Front Steps' PSH programs which are all based on the Housing First and Harm Reduction models. For tenants with income, Front Steps will follow HUD guidelines for affordability and tenants will only be required to pay 30% of income towards rent.

### **3. Program Services and Delivery**

Once clients are identified and certified to meet eligibility criteria, services will be provided using a team approach that follows an Assertive Community Team (ACT) model. Staff to client ratios for the team will be 1:12. The team will meet frequently, even daily if needed, in order to consult on cases, coordinate efforts and meet individual client needs. Supervision of the team will be shared between Front Steps and ATCIC Housing Program Managers. All case managers will complete Mental Health First Aid training provided free of charge by ATCIC.

All participants will be offered housing placement services, case management, skills training, weekly support groups, access to psychiatric services, primary health care and/or substance abuse services and employment assistance as desired and needed. Participants in any of the Housing First programs will have access to an ATCIC psychiatrist. Once linked to Medicaid or the Medical Assistance Program (MAP), participants will be able to access ATCIC's Health Integrated Program (HIP) to address physical health needs that integrate psychiatric care and wellness as evidenced based practices. ATCIC and Front Steps have existing partnerships with Goodwill Industries of Central Texas to

## **Front Steps – Permanent Supportive Housing Services - City FY 2012 - 2014**

provide vocational rehab and employment assistance and participants of this program would also be eligible to participate if interested. Participants will also be linked to volunteer mentors in the community through Front Steps' Circle of Care mentor program, based on the existing Housing First model, if interested. In-home aide support services including housekeeping, medication pick up, client transport, meal preparation and grocery shopping will be sub-contracted through Family Eldercare's Share-A-Care in home aide program. Clients and housing providers will have the benefit of access to clinical staff 24/7 through an on-call pager in a targeted effort to reduce utilization of public systems such as 9-1-1 calls, EMS transfers and emergency room visits, and to establish / maintain relationships with property owners/ landlords who accept these clients as tenants. Staff will utilize evidenced-based best practices when working with clients, including, but not limited to, motivational interviewing, harm reduction, cognitive behavioral therapy and psychosocial rehabilitation skills training.

Residents in the housing programs will not have a need for limited rental assistance due to existing rental subsidies through Continuum of Care and Housing Authority of Travis County. Direct financial assistance will be based on client need and current available resources. For example, clients who have no income or are unable to obtain food stamps, will be issued gift cards for groceries and/or bus passes for transportation. Clients with income will work on budgeting with their assigned case manager; if a financial crisis arises for an individual with income, the program will ensure this individual's needs are met.

Outreach and engagement services provided by ATCIC's PATH workers will augment existing Front Steps' HUD-funded Housing First programs (First Steps, Home Front and Samaritan) to begin the process of certifying those on the ARCH frequent user list and to initiate the paperwork needed to certify individuals as meeting the HEARTH ACT definition of chronically homelessness. Both ATCIC and Front Steps Housing Program Managers will work together to secure vacant apartment units in the community by accessing existing partnerships with a number of landlord/owners already serving various permanent supportive housing programs. The team will provide housing placement services as applicants are identified / certified and as the team is established.

### **4. System for Collecting and Reporting Program Data**

Front Steps will utilize the Homeless Management Information System (HMIS) to track and report client information and performance measures. All HMIS Service Point users receive annual training and periodic updates. Staff also attends Bowman Conferences, HUD trainings and ECHO HMIS sub-committee meetings throughout the year. Required performance measurements for this grant are already being collected for existing HUD PSH programs in HMIS.

### **5. Program Evaluation Plan**

- Performance evaluation: Data is collected to assist Front Steps staff to identify trends in barriers to services, as well as to track the efficacy of programs in assisting clients with maintaining housing, increasing income and improving self-care. Front Steps' PSH programs also utilize a Quality of Life Survey which began as a result of an identified need to capture program outcomes. Response categories were designed around the following areas of individual functioning: basic needs, survival skills, organization, orientation, communication, substance use, mental health, and health. To address public service utilization, the survey also inquires about changes in a person's income, visits to the emergency hospitals, and involvement with the criminal justice system. The survey incorporates a pre-test/post-test model to capture the progression of the program's effect on

**Front Steps – Permanent Supportive Housing Services - City  
FY 2012 - 2014**

the participant and their relationship with public services. Participants are given the survey prior to program entry to provide a baseline. The post-tests are then administered three months, six months, and one year after program entry. Responses are recorded and analyzed in an Excel spreadsheet.

- Quality improvement: Quality improvement systems include resident groups where client feedback is solicited and a Client Report Form, which offers an opportunity for clients to voice complaints/grievances, share positive feedback, suggestions, facility or policy issues, etc. These systems allow clients to meet personally with the Housing Programs Manager, Program Director, and when necessary, with the Front Steps Board of Directors to resolve housing-related issues. The Front Steps Board of Directors has one member who is a former ARCH client, and who is instrumental in representing the clients' viewpoint in creating and setting agency policy and strategies.

**6. Coordination and Collaboration of Services With Other Organizations, Including Strategies and Methods**

Front Steps and our applicant/ current PSH partner, Austin Travis County Integral Care (ATCIC) will create an extensive network of services to ensure formerly homeless individuals participating in PSH programs have access to case management, mental health, living assistance and community resources to ensure their housing success. Front Steps' case managers and ATCIC's PATH / ACCESS team will provide outreach activities to potential applicants identified from the ARCH frequent user list, bringing treatment options to the homeless or marginally homeless who have behavioral health disorders. In-home aide support services will be sub-contracted through Family Eldercare's Share-A-Care in-home aide program. Front Steps has also partnered with the Housing Authority of Travis County (HATC) and upon grant award will enter into an MOU for 18 Tenant Based Rental Assistance (TBRA) housing choice vouchers increasing Front Steps' already existing housing inventory and increasing the City's units for chronically homeless frequent shelter users.

**7. Community Planning Activities**

Designated Front Steps' directors, managers and coordinators are members of the following ECHO workgroups committees and subcommittees: HMIS, Housing, Outreach and Education, Homeless Count, Speaker's Bureau, and CoC (Continuum of Care). Front Steps participated in planning efforts regarding the City Council's efforts to create 350 units of affordable housing and the local 100 Homes Campaign planning. Front Steps Program Director currently serves as the Co-Chair of the ECHO's CoC workgroup and is heavily involved in PSH planning. Front Steps allocated two units of PSH to 100 Homes clients. Front Steps also works collaboratively with the Downtown Austin Alliance, Sixth Street Association and Downtown Neighborhood Association.

## PERFORMANCE MEASURES AND GOALS

Social Service Contracts – City of Austin  
April 1, 2012 – September 30, 2014

Date prepared: 5/11/12

### OUTPUT MEASURES

City Fund Only

<u>OUTPUT # 1</u>	6 month 4/1/12 – 9/30/12	12 month 10/1/12 – 9/30/13	12 month 10/1/12 – 9/30/14	30 month 4/1/12 – 9/30/14
Unduplicated count of individuals provided Permanent Supportive Housing Services	42	52	58	54

### OUTCOME (RESULTS) MEASURES

OUTCOME # 1	6 month 4/1/12 – 9/30/12	12 month 10/1/12 – 9/30/13	12 month 10/1/12 – 9/30/14	30 month 4/1/12 – 9/30/14
Number of households who exit Permanent Supportive Housing to safe and stable housing (numerator)	0	2	2	4
Unduplicated count of households exiting Permanent Supportive Housing (denominator)	0	4	4	8
Percentage of households in PSH units who exit Permanent Supportive Housing to safe and stable housing (outcome rate)	0%	50%	50%	50%

Total Program Performance – OUTCOME # 2B	6 month 4/1/12 – 9/30/12	12 month 10/1/12 – 9/30/13	12 month 10/1/12 – 9/30/14	30 month 4/1/12 – 9/30/14
Number of individuals obtaining or maintaining public benefits (numerator)	33	38	43	43
Number of individuals in program (denominator)	42	48	54	54
Rate: Percent of individuals obtaining or maintaining public benefits (outcome rate)	79%	79%	80%	80%



**PROGRAM WORK STATEMENT**  
2012 HHSP BMIR and HTF– City of Austin

Updated: May 11, 2012

**Agency name: Front Steps**  
**Program name: PSH Building Capacity Investment**

**8. Program Goals and Objectives**

Based on the belief that all people deserve the dignity of a safe place to call home, Front Steps' mission is to provide a pathway to hope through shelter, affordable housing, and community education. Having this mission in mind, Front Steps will disburse HHSP rental assistance to remove financial barriers to move homeless clients into housing including but not limited to past housing debts, rental deposit and assistance, electric deposit and assistance. Assistance will also prevent those at risk of homelessness from being evicted due to past due rent and/or utility arrears.

**9. Program Clients Served**

The population to be served is homeless and those at risk of homelessness in Travis County who are at 50% MFI. These individuals can be in subsidized housing.

**10. Program Services and Delivery**

A paid temporary employee of Front Steps will provide rental assistance for the four months the HHSP funds are available. Front Steps has agreed to partner/subcontract with Foundation for the Homeless (FFH) and to allocate 50% of the initial term of HHSP rental assistance to FFH clients. The remainder of the assistance will be provided to anyone in the community who meets the eligibility criteria outlined in the RFA and subsequent contractual documents. Requests for assistance will be processed on a first-come-first-served basis following the rent limit amounts detailed in the City's RFA Scope of Work. Assistance will be given for no more than six (6) months of rental of assistance to qualifying applicants based on need and continued assessments, clients must be able to sustain housing once financial assistance is no longer available. Recipients must meet the HUD definition of homeless or at risk and be at 50% MFI.

**11. System for Collecting and Reporting Program Data**

Front Steps will utilize the Homeless Management Information System (HMIS) to track and report client information and performance measures. All HMIS Service Point users receive annual training and periodic updates. Staff also attends Bowman Conferences, HUD trainings and ECHO HMIS sub-committee meetings throughout the year. Required performance measurements for this grant are already being collected for existing HUD PSH programs in HMIS.

**12. Program Evaluation Plan**

- Performance evaluation: Monthly Data is collected and reviewed to assist Front Steps staff to identify trends in barriers to services, as well as to track the efficacy of programs in assisting clients with maintaining housing, increasing income and improving self-care. For the purpose of

**Front Steps – Permanent Supportive Housing Services - HHSP  
FY 2012 - 2014**

HHSP funding the primary performance evaluation method will be those exited to safe and stable housing and those who are able to maintain housing as a result of financial assistance.

- **Quality improvement:** Quality improvement systems include focus groups where client feedback is solicited and a Client Report Form, which offers an opportunity for clients to voice complaints/grievances, share positive feedback, suggestions, facility or policy issues, etc. These systems allow clients to meet personally with the Housing Programs Manager, Program Director, Executive Director and when necessary, with the Front Steps Board of Directors to resolve housing-related issues. The Front Steps Board of Directors has one member who is a former ARCH client, and who is instrumental in representing the clients' viewpoint in creating and setting agency policy and strategies.

**13. Coordination and Collaboration of Services With Other Organizations, Including Strategies and Methods**

Front Steps will provide rental and utility assistance through a partnership with Foundation for the Homeless (FFH) and will allocate 50% of the \$65,567 for the initial term of Homeless and Housing Services Program (HHSP) rental assistance to FFH clients. The remainder of this assistance will be distributed to eligibility ARCH and other community referral applicants on a first-come-first-served basis.

**14. Community Planning Activities**

Designated Front Steps' directors, managers and coordinators are members of the following ECHO workgroups committees and subcommittees: HMIS, Housing, Outreach and Education, Homeless Count, Speaker's Bureau, and CoC (Continuum of Care). Front Steps participated in planning efforts regarding the City Council's efforts to create 350 units of affordable housing and the local 100 Homes Campaign planning. Front Steps Program Director currently serves as the Co-Chair of the ECHO's CoC workgroup and is heavily involved in PSH planning. Front Steps allocated two units of PSH to 100 Homes clients. Front Steps also works collaboratively with the Downtown Austin Alliance, Sixth Street Association and Downtown Neighborhood Association. Front Steps is a partner of the BSS Plus case management and financial assistance program.

## PERFORMANCE MEASURES AND GOALS

TDHCA HHSP BMIR and HTF – City of Austin

April 1, 2012 – 8/31/2012

<b>OUTPUT # 2</b> <b>(HHSP BMIR)</b>	5/1/2012 – 8/31/2012
Unduplicated count of individuals provided Case Management with HHSP BMIR Funding	<b>14</b>

<b>OUTPUT # 1</b> <b>(HHSP HTF)</b>	5/1/2012 – 8/31/2012
Unduplicated count of households provided Direct Financial Assistance with HHSP HTF Funding	<b>25</b>

<b>OUTCOME # 1</b>	<b>Case Management BMIR</b>	<b>Direct Financial Assistance HTF</b>	<b>HHSP Total</b>
<b>Number of clients who exit homelessness to safe and stable housing (numerator)</b>	<b>10</b>	<b>20</b>	<b>30</b>
<b>Unduplicated count of households receiving HHSP services (denominator)</b>	<b>14</b>	<b>25</b>	<b>39</b>
<b>Percentage of households in who exit homelessness to safe and stable housing with HHSP Funding (outcome rate)</b>	<b>71 %</b>	<b>80 %</b>	<b>77 %</b>

**PROGRAM BUDGET FORM**

Provide whole dollar amounts for each applicable line item.

	City of Austin 6 month April 1, 2012 - Sept 30, 2012	City of Austin 12 month Oct 1, 2012 - Sept 30, 2013	City of Austin 12 month Oct 1, 2013 - Sept 30, 2014	TOTAL Budget (ALL funding sources) April 1, 2012 - Sept 30, 2014
Salaries	\$ 19,432	\$ 16,864	\$ 16,864	\$ 53,160
Benefits	\$ 3,195	\$ 4,003	\$ 4,003	\$ 11,201
<b>A. SUBTOTALS: PERSONNEL</b>	<b>\$ 22,627</b>	<b>\$ 20,867</b>	<b>\$ 20,867</b>	<b>\$ 64,361</b>
<b>OPERATING EXPENSES</b>				
General Operating Expenses	\$ 6,000	\$ 8,000	\$ 8,000	\$ 22,000
Consultants/Contractual	\$ 56,631	\$ 58,756	\$ 58,756	\$ 174,143
Staff Travel	\$ 1,000			\$ 1,000
Conferences/Seminars/Training				
<b>B. SUBTOTALS: OPERATING EXPENSES</b>	<b>\$ 63,631</b>	<b>\$ 66,756</b>	<b>\$ 66,756</b>	<b>\$ 197,143</b>
<b>DIRECT ASSISTANCE</b>				
Food/Beverage for Clients	\$ 10,800	\$ 10,577	\$ 10,577	\$ 31,954
Financial Assistance for Clients (e.g. rent, mortgage, utilities)	\$ 64,567	\$ -	\$ -	\$ 64,567
Other (specify) Bus passes/other necessary assistance	\$ 14,784	\$ 1,800	\$ 1,800	\$ 18,384
<b>C. SUBTOTALS: DIRECT ASSISTANCE</b>	<b>\$ 90,151</b>	<b>\$ 12,377</b>	<b>\$ 12,377</b>	<b>\$ 114,905</b>
<b>EQUIPMENT/CAPITAL OUTLAY – Per Unit Cost Greater than \$1000 Only</b>				
Capital Outlay				
<b>D. SUBTOTALS: EQUIPMENT/CAPITAL OUTLAY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>GRAND TOTAL (A + B + C + D)</b>	<b>\$ 176,409</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 376,409</b>
<b>PERCENT SHARE of Total Funding:</b>	<b>47%</b>	<b>27%</b>	<b>27%</b>	
<b>Contract Amount Available</b>	<b>\$ 176,409</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 376,409</b>

**PROGRAM BUDGET NARRATIVE**Agency: Front Steps, Inc. Program: Permanent Supportive Housing

<b>PERSONNEL</b>	<b>NARRATIVE</b>
Salaries - Regular time	<i>One .5 FTE Front Steps employee - Case Manager</i>
<b>OPERATING EXPENSES</b>	
General Operating Expenses	<i>Postage; general office supplies; telephone service; recordkeeping and related costs</i>
Consultants/Contractual	<i>Only for provision of direct services to clients. Two 1.0 FTE Case Managers from ATCIC for first 6 months, then Two .5 FTE Case Managers for years 2 and 3. Plus one .666 FTE Case Manager for first 6 months and one .333 FTE Case Manager for years 2 and 3 from Family Eldercare</i>
Staff Travel - <i>within Travis County</i>	<i>Case Manager travels to assist clients entry into housing and related issues</i>
Conferences/Seminars/Trng. - <i>within Travis County</i>	
<b>DIRECT ASSISTANCE</b>	
Food/Beverage for Clients (NOTE: Alcoholic beverage expenditures are not eligible or allowable)	<i>Food assistance for clients in the program</i>
Financial Assistance for Clients (e.g. rent, mortgage, utilities)	<i>Financial Assistance and related as identified in the Contract for the first 6 months</i>
Other (specify)	<i>Bus passes, other transportation support, and assistance with items needed to move into housing from homelessness</i>
<b>EQUIPMENT/CAPITAL OUTLAY</b>	
<i>EQUIPMENT/CAPITAL OUTLAY – Per Unit Cost Greater than \$1000 Only</i>	

**STAFF POSITIONS AND TIME**

Full-Time Equivalents (FTE's)

List Program Positions by Title	% of Time for this Program
Case Manager - 1	50%
Case Manager - 1 - Temp position May - Sept 2012 only	100%
<b>TOTAL FTEs</b>	<b>1.5</b>

**PROGRAM FUNDING SUMMARY****City of Austin**

<b>Funding Sources</b>	<b>Grant/Contract Name</b>	<b>Funding Period</b>	<b>Funding Amount</b>
City of Austin	City of Austin HHSP	02-01-2012 - 09-30-2014	\$ 376,409.00
City of Austin			
City of Austin			
Travis County			
Travis County			
Federal	HUD Grant I "First Steps" (1)	04/01/2012-09/30/2014	\$ 236,670.00
Federal	HUD Grant II "Home Front" (2)	04/01/2012-09/30/2014	\$ 150,435.00
Federal	HUD Grant III "Samaritan" (3)	04/01/2012-09/30/2014	\$ 497,213.00
State			
State			
United Way			
Contributions			
Program			
Income/Fees	Rents from Clients (4)	04/01/2012-09/30/2014	\$ 105,000.00
Other (Specify)	Religious Coalition Grant (5)	04/01/2012-09/30/2014	\$ 115,000.00
Other (Specify)			
Other (Specify)			
			<b>\$ 1,480,727.00</b>

**Exhibit C.**  
**Texas Department of Housing and Community Affairs**  
**Homeless Housing and Services Program (HHSP)**  
**Contract Administration**  
**2012 Program Year (9/1/11-8/31/12)**

**1. Regulations and rules or procedures** that govern HHSP subrecipients:

The HHSP funds are governed by the State of Texas regulations (Uniform Grants Management Standards); the Texas Administrative Code (TAC) Title 10, Part 1, Chapter 5, Subchapter A; General Provisions and other regulations that govern General Revenue funds. Where applicable, OMB Circulars are to be followed as well. There are no regulations specific to HHSP, aside from the TDHCA Board Policy Statement and the items in the contract. The Department will develop regulations for HHSP.

**2. Subcontracting:** If an HHSP awardee subcontracts with another entity to provide HHSP services, HHSP Subrecipients are required to follow internal procurement policies and where applicable procurement policies required by Uniform Grants Management Standards (UGMS). Subcontractors must adhere to the same HHSP program requirements. HHSP subrecipients are responsible for ensuring that subcontractors adhere to program requirements and regulations and must have processes and procedures in place to monitor subcontractors.

**3. Fund Drawdown:**

- a. Fund drawdown process is as follows: Once a contract is executed, expenditure reports can be submitted to access funds. A 30 day advance of funds may be drawn down on a monthly basis. Draw downs must be limited to immediate cash needs. All funds must be expended by September 30, 2012. Monthly Expenditure Reports will be submitted on an online electronic reporting system.
- b. Support documentation to accompany fund drawdown: With the exception of reimbursements related to construction and rehabilitation projects, support documentation will not be required to be submitted with expenditure or performance reports. Data reported in Performance Reports and Expenditure Reports must be supported by program and financial records. Support documents will be requested at the time of a monitoring visit and maybe be requested by the Department at other times.

For construction and rehabilitation projects, supporting documentation related to lien waivers and inspections, procurements issued and results of the procurement, contracts related to construction or rehabilitation, and copies of invoices must be submitted with the Expenditure Report. Those documents are to be e-mailed to [kathie.watkins@tdhca.state.tx.us](mailto:kathie.watkins@tdhca.state.tx.us)

**4. Client eligibility requirements** and documentation to be maintained:

- a. An **HHSP Intake Application** must be completed on all applicants. The application must include an area for the *client's signature*, certifying the validity of information provided. The intake application should also include an area to identify the staff person completing the intake application.
- b. The subrecipients shall establish **the client eligibility level at 50% or below Area Median Income** provided by the U. S. Department of Housing and Urban Development in effect at the time the client makes an application and documented prior to commencement of services. Go to the following link to find 50% Area Median Income limits by geographic area  
[http://www.huduser.org/portal/datasets/il/index\\_il2010.html](http://www.huduser.org/portal/datasets/il/index_il2010.html) As HUD updates income limits, utilize the most recent data.

- (1) To **determine income eligibility** for program services, subrecipients must base annualized eligibility determinations on household income from thirty (30) days prior to the date of application for assistance. Each subrecipient must maintain documentation of income from all sources for all household members for the entire thirty (30) day period prior to the date of application and multiply the monthly amount by twelve (12) to annualize income. Income documentation must be collected from all income sources for all household members



eighteen (18) years and older for the entire thirty (30) day period. The sources may include, but not be limited to, check stubs, award letters, and verifications from employers.

- (2) **Income documentation** must be obtained for all applicants. If proof of income is unavailable or if the applicant has no income, the applicant must complete and sign a Declaration of Income Statement. When income documentation cannot be obtained, the client record must include an explanation for the reason that documentation could not be obtained. If the applicant is homeless, it is acceptable to utilize the Declaration of Income Statement if income documentation is not available. An example of a Declaration of Income Statement can be found at:

<http://www.tdhca.state.tx.us/community-services/docs/csbq/11-DeclarationIncomeGuidance.pdf>

- (3) **Income sources which must be considered in determining income:**

As per Texas Administrative Code (TAC) Title 10, Part 1, Chapter 5, Subchapter A; General Provisions, the following is a list of included and excluded income to determine eligibility for the program:

**Included Income:**

- (A) Temporary Assistance for Needy Families (TANF);
- (B) Money, wages and salaries before any deductions;
- (C) Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses);
- (D) Regular payments from social security;
- (E) Railroad retirement;
- (F) Unemployment compensation;
- (G) Strike benefits from union funds;
- (H) Worker's compensation;
- (I) Training stipends;
- (J) Alimony;
- (K) Military family allotments;
- (L) Private pensions;
- (M) Government employee pensions (including military retirement pay);
- (N) Regular insurance or annuity payments; and
- (O) Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts; and net gambling or lottery winnings.

**Excluded Income:**

- (A) Social Security Disability Insurance (SSDI) payments;
- (B) Supplemental Security Income (SSI) payments;
- (C) Capital gains; any assets drawn down as withdrawals from a bank;
- (D) The sale of property, a house, or a car;
- (E) One-time payments from a welfare agency to a family or person who is in temporary financial difficulty;
- (F) Tax refunds, gifts, loans, and lump-sum inheritances;
- (G) One-time insurance payments, or compensation for injury;
- (H) Non-cash benefits, such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits;  
Food or housing received in lieu of wages;
- (J) The value of food and fuel produced and consumed on farms;
- (K) The imputed value of rent from owner-occupied non-farm or farm housing;
- (L) Federal non-cash benefit programs as Medicare, Medicaid, Food Stamps, and school lunches;
- (M) Housing assistance and combat zone pay to the military;
- (N) Veterans (VA) Disability Payments;

- (O) College scholarships, Pell and other grant sources, assistantships, fellowships and work study, VA Education Benefits (GI Bill); and
- (P) Child support payments.

- c. For persons who are **at-risk of homelessness**, who are assisted with prevention services and activities, the client record must include documentation which demonstrates that the assistance is necessary to avoid foreclosure or eviction. Documentation must include, but not be limited to: eviction notices, letters from property management regarding eviction, lease agreements, etc.
- d. Persons who are homeless, must meet income requirements and must meet the definition of homeless. If the applicant cannot provide income documentation, complete a Declaration of Income Statement and provide an explanation for the reason that documentation could not be obtained. Subrecipients must certify the homeless status for individuals that are homeless. The intake process must include a Certification of Homelessness, whereby the individual certifies which homeless definition they meet. The certification must include the client's signature.

#### **Definition of Homeless**

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) revised the definition of homelessness. A Homeless individual is defined as:

- (1) \_\_\_\_ An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - (i) Primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
  - (ii) Living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
  - (iii) Exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;
- (2) \_\_\_\_ An individual or family who will imminently lose their primary nighttime residence, provided that:
  - (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
  - (ii) No subsequent residence has been identified; and
  - (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;
- (3) \_\_\_\_ Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
  - (i) Are defined as homeless under other federal programs defined in federal register.
  - (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
  - (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
  - (iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities; chronic physical health or mental health conditions; substance addiction; histories of domestic violence or childhood abuse (including neglect); the presence of a child or youth with a disability; or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or
- (4) \_\_\_\_ Any individual or family who:
  - (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's

primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;  
(ii) Has no other residence; and  
(iii) Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

For further information on the definition of homelessness as issued by the U.S. Department of Housing and Urban Development, refer to Federal Register / Vol. 75, No. 75 / Tuesday, April 20, 2010 / Proposed Rules. The referenced Federal Register can be located at:  
<http://www.hudhre.info/documents/ProposedHomelessDefinition.pdf>

**5. Reporting**

Expenditure and Performance Reports will be due each month, on the 15th as per the contract. Reports are due once the contract is executed.

**6. Use of Funds**

**General Revenue (GR) funds** allow maximum flexibility. GR funds must be used for the same purposes that the 2010-11 HHSP funds were utilized, including construction and rehabilitation of structures targeted to serving homeless or at-risk individuals; operations of direct services; case management; housing retention; homelessness prevention; rental assistance; or other homelessness related activity as approved by the Department. General Revenue funds do not allow for funds to be utilized for administration.

**Below Market Interest Rate (BMIR) funds** allow maximum flexibility. BMIR funds must be used for the same purposes that the 2010-11 HHSP funds were utilized, including construction and rehabilitation of structures targeted to serving homeless or at-risk individuals; operations of direct services; case management; housing retention; homelessness prevention; rental assistance; or other homelessness related activity as approved by the Department. BMIR funds allow up to 5% of the allocation to be utilized for administration costs related to staff performing management, reporting, and accounting of program activities and funds.

**Housing Trust Fund (HTF) funds** are restricted to administration, rental assistance, construction and rehabilitation. HTF funds cannot be utilized to provide case management services. HTF funds allow up to 5% of the allocation to be utilized for administration costs related to staff performing management, reporting, and accounting of program activities. HTF funds can be utilized for staff time dedicated to negotiating with landlords to secure housing for clients, but not for case management. Staff time dedicated to securing housing can be charged to the program and those costs are to be budgeted under Housing Staff Costs.

**EXHIBIT D.**  
**HOMELESS MANAGEMENT INFORMATION SYSTEM**  
**(HMIS) REPORTING REQUIREMENTS**

Organizations receiving funding from the City of Austin for homelessness prevention and homeless intervention services are required to utilize the Local Homeless Management Information System (HMIS) to track and report client information for individuals who are at risk of homelessness or who are homeless. A high level of data quality is required.

**Requirements Include**

- “Open settings” for Uniform Data Elements (UDE) will be used for all of the program’s client records in order to reduce duplication of records and improve cross-agency collaboration around client services;
- Data quality report(s) submitted monthly (report and minimum standards to be specified);
- HMIS user licenses must be purchased for staff entering data into City-funded programs (may use City funds for licenses);
- Participation in Annual Homeless Count, Annual Homeless Assessment Report (AHAR), and other required HUD reporting;
- Participation in a minimum of 6 hours of annual training for each licensed user as well as attendance at required City-sponsored training(s) regarding HMIS and CTK ODM System.

**Annual Report must identify compliance levels with all of the requirements listed above as well as any feedback regarding the HMIS system.**

**If data quality reports consistently fall below minimum standards, payments may be withheld until reporting improves to at least minimum standards.**

**This Exhibit also pertains to all Subcontractors serving people who are homeless under this agreement.**