

**ELDERLY NUTRITION PROGRAM (ENP)
SUBAWARD PERIOD JULY 2025 - JUNE 2026
SUBAWARD NUMBER ENP252607**

AMENDMENT ONE

This Amendment is made and entered into by and between

**COUNTY OF LOS ANGELES THROUGH ITS
AGING AND DISABILITIES DEPARTMENT**
("County" or "AD")

County's Business Address
510 South Vermont Avenue
Los Angeles, CA 90020

and

CITY OF POMONA
("Contractor" or "Subrecipient")

Subrecipient's Business Address
505 S. Garey Ave.
Pomona, CA 91766

WHEREAS, reference is made to that certain document originally entitled "Elderly Nutrition Program (ENP) Subaward Number ENP252607 Subaward Period July 2025 - June 2026" dated July 1, 2025, ("Contract" or "Subaward"); and

WHEREAS, the parties hereto have previously entered into the above referenced Subaward for the purpose of providing Elderly Nutrition Program (ENP) Services, which include serving congregate meals and home-delivered meals as well as conducting telephone reassurance to the older adult population in Los Angeles County (excluding the City of Los Angeles); and

WHEREAS, County and Subrecipient recognize and agree that specific terms (including, but not limited to, Contract, Subaward, Contractor, Subrecipient, Subcontract, Lower Tier Subaward, Subcontractor and Lower Tier Subrecipient) are used interchangeably throughout this Amendment in order to comply with Federal, State, and County regulations; and

WHEREAS, it is the intent of the parties to amend this Subaward to allocate Nutrition Services Incentive Program (NSIP) C1 funding in the amount of **\$35,790**, which will be reimbursed to Subrecipient to supplement the cost of food used for Congregate Meals provided by Subrecipient during Fiscal Year (FY) 2025-26; and

WHEREAS, it is the intent of the parties to also amend this Subaward to provide for the other changes set forth herein; and

WHEREAS, the Subaward provides that changes to its terms may be made in the form of a written Amendment, which is formally approved and executed by the parties.

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

- I. This Amendment will commence **upon execution by all parties**.
- II. Subparagraph 5.1.3 is deleted in its entirety and replaced as follows:

5.1.3 Subaward Sum Year 1 Funding Source(s)

5.1.3.1 The Subaward Sum Year 1 for this Subaward is comprised of monies which are identified by the funding source(s) or governing statute(s) listed below. The funding source(s) and governing statute(s) authorize County to use these monies to provide Program Services.

5.1.3.2 OAA Title III C-1 (Nutrition Services) original baseline funds

5.1.3.2.1 Subaward Sum: **\$384,500**

5.1.3.2.2 Service Area: Supervisorial District 1

5.1.3.2.3 Period of Performance: July 1, 2025 – June 30, 2026 (consistent with California Department of Aging MOU #AP-2425-19, Funding Revision # 2526-03)

5.1.3.2.4 Allocation Letter: Fiscal Year 2025-26 Original Baseline and Modernizing Older Californians Act Funding Allocation for Elderly Nutrition Program Services

5.1.3.3 Modernizing Older Californians Act (MOCA) funds for ENP Congregate Meal Services

5.1.3.3.1 Subaward Sum: **\$78,000**

5.1.3.3.2 Service Area: Supervisorial District 1

5.1.3.3.3 Period of Performance: July 1, 2025 – June 30, 2026 (consistent with California Department of Aging contract #NM-2324-19)

5.1.3.3.4 Allocation Letter: Fiscal Year 2025-26 Original Baseline and Modernizing Older Californians Act Funding Allocation or Elderly Nutrition Program Services

5.1.3.4 NSIP C1 funds for ENP Congregate Meal Services

5.1.3.4.1 Subaward Sum: **\$35,790**

5.1.3.4.2 Service Area: Supervisorial District 1

5.1.3.4.3 Period of Performance: July 1, 2025 – June 30, 2026 (consistent with California Department of Aging MOU #AP-2425-19, Funding Revision # 2526-04)

5.1.3.4.4 Allocation Letter: Fiscal Year 2025-26 Nutrition Services Incentive Program (NSIP) Funding Allocation for Elderly Nutrition Program Services

III. Subparagraph 5.10.4 is deleted in its entirety and replaced as follows:

5.10.4 Federal Award Identification Number (FAIN): 2501CAOACM-00; and, 2501CAOANS-00

IV. Subparagraph 5.10.7 is deleted in its entirety and replaced as follows:

5.10.7 Amount of Federal Funds Obligated by this Action:

5.10.7.1 Original Subaward: \$462,500

5.10.7.1.1 Original baseline funds: \$384,500

5.10.7.1.2 MOCA funds: \$78,000 (*State funds*)

5.10.7.2 Amendment One: \$35,790

V. Subparagraph 5.10.8 is deleted in its entirety and replaced as follows:

5.10.8 Total Amount of Federal Funds Obligated to Subrecipient (Subaward Sum Year 1): \$420,290 (*funds identified in Subparagraph 5.10.7.1.2 are excluded*)

VI. Subparagraph 5.10.9 is deleted in its entirety and replaced as follows:

5.10.9 Total Amount of Federal Award (Maximum Subaward Sum): \$420,290 (*funds identified in Subparagraph 5.10.7.1.2 are excluded*)

- VII. Subparagraph 5.10.10 is deleted in its entirety and replaced as follows:
- 5.10.10 Federal Award Project Description: Federal Title IIIC1 3C1L and NSIP C1 NC1L
- VIII. Subparagraph 5.10.12 is deleted in its entirety and replaced as follows:
- 5.10.12 Assistance Listings Number and Title: 93.045 – Special Programs for the Aging, Title III, Part C (Nutrition Services) and 93.053 Nutrition Services Incentive Program
- IX. Subparagraph 8.25.1 is deleted in its entirety and replaced as follows:
- 8.25.1 Commercial General Liability
- 8.25.1.1 Insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:
- | | |
|--|-------------|
| General Aggregate: | \$2 million |
| Products/Completed Operations Aggregate: | \$1 million |
| Personal and Advertising Injury: | \$1 million |
| Each Occurrence: | \$1 million |
- X. “Exhibit B1.3 (Budget) Amendment 1 {FY 2025-26 NSIP Funding}” is added and is incorporated herein by reference.
- XI. “Exhibit C1.3 (Mandated Program Services) Amendment 1 {FY 2025-26 NSIP Funding}” is added and is incorporated herein by reference.
- XII. “Exhibit D (County’s Administration)” is deleted in its entirety and replaced with the attached “Exhibit D (County’s Administration) (Rev. 09/2025)”, which is incorporated herein by reference.
- XIII. “Exhibit Q (Accounting, Administration and Reporting Requirements)” deleted in its entirety and replaced with the attached “Exhibit Q (Accounting, Administration and Reporting Requirements) (Rev. 09/2025)”, which is incorporated herein by reference.
- XIV. The “Fiscal Year 2025-26 Nutrition Services Incentive Program (NSIP) Funding Allocation for Elderly Nutrition Program Services” funding allocation letter is incorporated herein by reference.

All other terms and conditions of the Subaward will remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this **Amendment One** to be subscribed on its behalf by the Interim Director of Aging and Disabilities Department, and the Subrecipient has subscribed the same through its Authorized Representative. The Authorized Representative(s) signing on behalf of Subrecipient warrants under penalty of perjury that he or she is authorized to bind Subrecipient.

COUNTY OF LOS ANGELES

By Maral V. Karaccusian Nov 14, 2025
Maral V. Karaccusian (Nov 14, 2025 13:05:11 PST)
 Maral V. Karaccusian, Interim Director Date
 County of Los Angeles
 Aging & Disabilities Department

SUBRECIPIENT

City of Pomona
 Subrecipient's Legal Name
ENP252607
 Subaward Number

By Anita Scott Oct 28, 2025
 Name of Authorized Representative Date
 City Manager
 Title
Anita Scott
Anita Scott (Oct 28, 2025 14:33:02 PDT)
 Signature

Approved as to Form:

OFFICE OF COUNTY COUNSEL
 Dawyn R. Harrison, County Counsel

By 
 Airionna Whitaker
 Deputy County Counsel

By _____
 Name of Authorized Representative Date

 Title

 Signature

EXHIBIT B1.3 (BUDGET)
AMENDMENT 1 {FY 2025-26 NSIP FUNDING}

ALL COSTS REPORTED ON THIS BUDGET MUST BE ALLOWABLE, NECESSARY, AND REASONABLE FOR THE PROGRAM SERVICES TO BE PROVIDED.

Program Services:	Congregate Meal Services		
Fiscal Year:	2025-2026		
Funding Type:	Nutrition Services Incentive Program (NSIP) C1		
Los Angeles County Region:	N/A		
Supervisory District:	One		
Subaward Number:	ENP252607		
Amendment Number:	One	Modification Number:	N/A
Subrecipient's Legal Name:	City of Pomona		

505 S Garey Ave	Pomona	CA	91766
Main Administrative Office Address	City	State	Zip Code

P.O. Box 660	Pomona	CA	91769
Mailing Address (if different from above)	City	State	Zip Code

Ms.	Anita Scott	City Manager	909-620-2052	2052	anita.scott@pomonaca.gov
Prefix	Authorized Representative	Job Title	Phone Number	Ext.	E-Mail Address

Mr.	Mike Osoff	Community Service Manager	909-620-2039	2039	mike.osoff@pomonaca.gov
Prefix	Project Manager	Job Title	Phone Number	Ext.	E-Mail Address

Ms.	Stephanie Carbajal	Management Analyst	909-620-2005	2005	stephanie.carbajal@pomonaca.gov
Prefix	Budget Analyst	Job Title	Phone Number	Ext.	E-Mail Address

PROGRAM FUNDING SUMMARY

(A) SERVICE CATEGORY	(B) SUBAWARD SUM YEAR 1 (SSY1) (1)		SUBRECIPIENT'S FUNDS (SF) (2)					(F) TOTAL FUNDING	(G) UNIT RATE		
			(C) MATCH (3)		(D) NON-MATCH		(E) PROGRAM INCOME		(1) SSY1	(2) SF	(3) TOTAL
	(1) CASH OTHER	(2) CASH NSIP	(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND	(1) CASH	(B+C+D+E)			
Congregate Meals	[Enter]	\$ 35,790	[Enter]	[Enter]	[Enter]	[Enter]	[Enter]	\$ 35,790	\$ 1.00	[Enter]	\$ 1.00
Equipment (Purchases) (4)	[Enter]	[Enter]	[Enter]		[Enter]			\$ -			
Equipment (Other) (5)				[Enter]		[Enter]		\$ -			
Grand Total (6)	\$ -	\$ 35,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,790			

COUNTY USE ONLY			
Assigned Program Analyst:	Jorge Pena	Equipment Purchase(s) Approved by:	N/A
Assigned Contract Analyst:	Lynn Tran		
Budget Reviewed and Approved by:	Lynn Tran	Date:	11/19/2025

NOTE:

(1) The SSY1 for each Service Category must match the SSY1 Cash NSIP reflected in Exhibit C1.3 (Mandated Program Services), Section I (Units of Service Summary) for each Service Category.

(2) The SF for each Service Category must match the SF reflected in Exhibit C1.3 (Mandated Program Services), Section I (Units of Service Summary) for each Service Category.

(3) No match requirement for NSIP funds.

(4) Funding Amount for Equipment (Purchase(s)) reflected under SSY1 and SF must match the Equipment (Purchase(s)) Funding Amount reflected in Exhibit C1.3 (Mandated Program Services), Section I (Units of Service Summary).

(5) Funding Amount for Equipment (Other) reflected as SF must match the Equipment (Other) Funding Amount reflected in Exhibit C1.3 (Mandated Program Services), Section I (Units of Service Summary).

(6) Grand Total Funding Amount under Column (F) Total Funding Amount must match Grand Total Funding Amount reflected in Exhibit C1.3 (Mandated Program Services), Section I (Units of Service Summary), Column (E) Funding Amount.

Program Services:

Congregate Meal Services

ATTACHMENT NO. 2

Fiscal Year:

2025-2026

Funding Type:

Nutrition Services Incentive Program (NSIP) C1

Los Angeles County Region:

N/A

Supervisory District:

One

Subaward Number:

ENP252607

Amendment Number:

One

Modification Number:

N/A

Subrecipient's Legal Name:

City of Pomona

I. BUDGET DETAIL - PERSONNEL

(A) POSITION TITLE (1)	(B) % OF TIME ON PROGRAM (2)	(C) MONTHLY SALARY	(D) NO. OF MONTHS	(E) TOTAL COSTS (B*C*D)	(F) SSY1	SF						(J) TOTAL FUNDING AMOUNT (F+G+H+I)	(K) VARIANCE (E - J)
						(G) MATCH		(H) NON-MATCH		(I) PROGRAM INCOME			
					(1) CASH OTHER	(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND	(1) CASH			
DIRECT													
Listed in B1.1													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													
[Enter title]													

I. BUDGET DETAIL - PERSONNEL

(A) POSITION TITLE (1)	(B) % OF TIME ON PROGRAM (2)	(C) MONTHLY SALARY	(D) NO. OF MONTHS	(E) TOTAL COSTS (B*C*D)	(F) SSY1 (1) CASH OTHER	SF					(J) TOTAL FUNDING AMOUNT (F+G+H+I)	(K) VARIANCE (E - J)
						(G) MATCH		(H) NON-MATCH		(I) PROGRAM INCOME		
						(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND	(1) CASH		
[Enter title]												
[Enter title]												
[Enter title]												
[Enter title]												
[Enter title]												
[Enter title]												
[Enter title]												
[Enter title]												
[Enter title]												
SUBTOTAL DIRECT PERSONNEL				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Taxes	[Enter Rate]				(3)	(3)	(3)	(3)	(3)	(3)		
Benefits	[Enter Rate]				(4)	(4)	(4)	(4)	(4)	(4)		
TOTAL DIRECT PERSONNEL				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
INDIRECT												
Indirect Costs (Personnel)				[Complete as needed]	(5)	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]	\$ -	
Do indirect costs exceed the fifteen percent (15%) maximum?												
GRAND TOTAL												
GRAND TOTAL PERSONNEL				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

NOTE:

(1): Enter the title of each position. List all mandatory staffing positions noted in Exhibit A (Statement of Work and Attachments). If a mandatory position is performed by staff under a different position/payroll title then list both the position title noted in Exhibit A (Statement of Work and Attachments) and the payroll title (e.g., Project Director/Recreation Director).

(2): If an individual's time is allocated to multiple Program Services, that individual's time must not exceed 100% when his/her time is totaled for Congregate Meal Services, Home-Delivered Meal Services, and Telephone Reassurance Services.

(3): Enter the amount of funding that Subrecipient will use to fund any portion of the total cost for taxes.

(4): Enter the amount of funding that Subrecipient will use to fund any portion of the total cost for benefits.

(5): The maximum reimbursable amount allowable for indirect costs is fifteen percent (15%) of Subrecipient's modified total direct cost reflected under Column F (SSY1 Cash Other). Indirect costs in excess of the fifteen percent (15%) maximum may be budgeted as a match in-kind contribution and used to meet the match requirement (subject to County's prior written approval).

Program Services:	Congregate Meal Services		ATTACHMENT NO. 2
Fiscal Year:	2025-2026		
Funding Type:	Nutrition Services Incentive Program (NSIP) C1		
Los Angeles County Region:	N/A		
Supervisory District:	One		
Subaward Number:	ENP252607		
Amendment Number:	One	Modification Number:	N/A
Subrecipient's Legal Name:	City of Pomona		

II. BUDGET DETAIL - VOLUNTEERS

(A) POSITION TITLE	(B) NUMBER OF POSITIONS	(C) % OF TIME ON PROGRAM	(D) MONTHLY SALARY EQUIVALENT	(E) NO. OF MONTHS	(F) TOTAL SALARY EQUIVALENT (B*C*D*E)	SF		(I) TOTAL IN-KIND (G + H)	(J) VARIANCE (F - I)
						(G) MATCH (1)	(H) NON-MATCH		
						(1) IN-KIND	(1) IN-KIND		
DIRECT									
[Enter title]									
[Enter title]									
[Enter title]									
[Enter title]									
[Enter title]									
[Enter title]									
[Enter title]									
[Enter title]									
[Enter title]									
[Enter title]									
TOTAL DIRECT VOLUNTEERS					\$ -	\$ -	\$ -	\$ -	\$0
INDIRECT									
Indirect Costs (Volunteers)					[Complete as needed]	[Complete as needed]	[Complete as needed]		
GRAND TOTAL									
GRAND TOTAL VOLUNTEERS					\$ -	\$ -	\$ -	\$ -	\$0

NOTE:
 (1): When using volunteer services as an in-kind match to meet the minimum required match, this in-kind match must not exceed more than fifty percent (50%) of the minimum required match. For example, if volunteer services total \$2,000 and the minimum required match is \$1,500 then a maximum of \$750 of volunteer services will count toward meeting the minimum required match. Additionally, Subrecipient does not have to change the amount of volunteer services reflected as in-kind match since only a portion of it may be counted toward meeting the minimum required match. Using the previous example, Subrecipient may reflect \$2,000 (as opposed to \$750) as in-kind match for volunteer services but only \$750 of this amount will be counted toward meeting the minimum required match.

Program Services:	<u>Congregate Meal Services</u>		ATTACHMENT NO. 2
Fiscal Year:	<u>2025-2026</u>		
Funding Type:	<u>Nutrition Services Incentive Program (NSIP) C1</u>		
Los Angeles County Region:	<u>N/A</u>		
Supervisorial District:	<u>One</u>		
Subaward Number:	<u>ENP252607</u>		
Amendment Number:	<u>One</u>	Modification Number:	<u>N/A</u>
Subrecipient's Legal Name:	<u>City of Pomona</u>		

III. BUDGET DETAIL - VOLUNTEER EXPENSES

(A) DESCRIPTION	(B) UNIT COST	(C) NUMBER OF UNITS	(D) NO. OF MONTHS	(E)	(F) SSY1	SF					(J)	(K)
				TOTAL COSTS (B*C*D)		(G) MATCH		(H) NON-MATCH		(I) PROGRAM INCOME	TOTAL FUNDING (F+G+H+I)	VARIANCE (E - J)
						(1) CASH OTHER	(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND		
DIRECT												
Training												
Mileage (Cost/Mile) (1)												
[Enter description of other expenses]												
[Enter description of other expenses]												
[Enter description of other expenses]												
[Enter description of other expenses]												
[Enter description of other expenses]												
[Enter description of other expenses]												
[Enter description of other expenses]												
TOTAL DIRECT VOLUNTEER EXPENSES				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
INDIRECT												
Indirect Costs (Volunteer Expenses)					(2)	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]		
Do indirect costs exceed the fifteen percent (15%) maximum?												
GRAND TOTAL												
GRAND TOTAL VOLUNTEER EXPENSES				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

NOTE:

(1) Effective January 1, 2025, County's approved mileage rate is \$0.66 per mile and State's mileage rate is available online at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement for mileage must not exceed the lesser of County's rate and State's rate.

(2): The maximum reimbursable amount allowable for indirect costs is fifteen percent (15%) of Subrecipient's modified total direct cost reflected under Column F (SSY1 Cash Other). Indirect costs in excess of the fifteen percent (15%) maximum may be budgeted as a match in-kind contribution and used to meet the match requirement (subject to County's prior written approval).

Program Services:

Congregate Meal Services

ATTACHMENT NO. 2

Fiscal Year:

2025-2026

Funding Type:

Nutrition Services Incentive Program (NSIP) C1

Los Angeles County Region:

N/A

Supervisory District:

One

Subaward Number:

ENP252607

Amendment Number:

One

Modification Number:

N/A

Subrecipient's Legal Name:

City of Pomona

IV. BUDGET DETAIL - SUBAWARD(S)/SUBCONTRACT(S) FOR CATERED FOOD

(A) LOWER TIER SUBRECIPIENT'S/SUBCONTRACTOR(S) NAME (1)	(B) SERVICE CATEGORY	(C) UNIT COST	(D) NO. OF UNITS	(E) NO. OF MONTHS	(F) TOTAL COSTS (C*D*E)	(G) SSY1		SF					(K) TOTAL FUNDING (G+H+I+J)	(L) VARIANCE (F - K)
								(H) MATCH		(I) NON-MATCH		(J) PROGRAM INCOME		
						(1) CASH OTHER	(2) CASH NSIP	(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND	(1) CASH		
DIRECT														
Trio Community Meals	Congregate Meals	\$ 1.00	2,983	12	\$ 35,790		\$ 35,790						\$ 35,790	\$0
[Enter caterer's name]	Select Description													
[Enter caterer's name]	Select Description													
[Enter caterer's name]	Select Description													
[Enter caterer's name]	Select Description													
[Enter caterer's name]	Select Description													
[Enter caterer's name]	Select Description													
TOTAL DIRECT LOWER TIER SUBAWARD(S)/SUBCONTRACT(S) FOR CATERED FOOD					\$ 35,790	\$ -	\$ 35,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,790	\$0
INDIRECT														
Indirect Costs (Lower Tier Subaward(s)/Subcontract(s) for Catered Food)						(2)		[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]		
Do indirect costs exceed the fifteen percent (15%) maximum?														
GRAND TOTAL														
GRAND TOTAL LOWER TIER SUBAWARD(S)/SUBCONTRACT(S) FOR CATERED FOOD					\$ 35,790	\$ -	\$ 35,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,790	\$0

NOTE:

(1): Use this Budget Detail to report Lower Tier Subaward(s)/Subcontract(s) with caterers by entering the name of the caterer. The information provided herein must be included in Exhibit T (List of Lower Tier Subawards). Subrecipient must obtain prior written approval from County before executing Subaward(s).

(2): The maximum reimbursable amount allowable for indirect costs is fifteen percent (15%) of Subrecipient's modified total direct cost reflected under Column G (SSY1 Cash Other). Indirect costs in excess of the fifteen percent (15%) maximum may be budgeted as a match in-kind contribution and used to meet the match requirement (subject to County's prior written approval).

Program Services:	Congregate Meal Services		ATTACHMENT NO. 2
Fiscal Year:	2025-2026		
Funding Type:	Nutrition Services Incentive Program (NSIP) C1		
Los Angeles County Region:	N/A		
Supervisory District:	One		
Subaward Number:	ENP252607		
Amendment Number:	One	Modification Number:	N/A
Subrecipient's Legal Name:	City of Pomona		

V. BUDGET DETAIL - RAW FOOD

(A) SERVICE CATEGORY	(B) UNIT COST	(C) NO. OF UNITS	(D) NO. OF MONTHS	(E) TOTAL COSTS (B*C*D)	(F) SSY1		SF					(J) TOTAL FUNDING (F+G+H+I)	(K) VARIANCE (E - J)
							(G) MATCH		(H) NON-MATCH		(I) PROGRAM INCOME		
					(1) CASH OTHER	(2) CASH NSIP	(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND	(1) CASH		
DIRECT													
Congregate Meals													
TOTAL DIRECT RAW FOOD				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
INDIRECT													
Indirect Costs (Raw Food)					(1)		[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]		
Do indirect costs exceed the fifteen percent (15%) maximum?													
GRAND TOTAL													
GRAND TOTAL RAW FOOD				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

NOTE:
 (1): The maximum reimbursable amount allowable for indirect costs is fifteen percent (15%) of Subrecipient's modified total direct cost reflected under Column F (SSY1 Cash Other). Indirect costs in excess of the fifteen percent (15%) maximum may be budgeted as a match in-kind contribution and used to meet the match requirement (subject to County's prior written approval).

Program Services: Congregate Meal Services ATTACHMENT NO. 2
Fiscal Year: 2025-2026
Funding Type: Nutrition Services Incentive Program (NSIP) C1
Los Angeles County Region: N/A
Supervisory District: One
Subaward Number: ENP252607
Amendment Number: One **Modification Number:** N/A
Subrecipient's Legal Name: City of Pomona

VI. BUDGET DETAIL - SPACE

(A) NAME OF LOCATION AND DESCRIPTION	(B) UNIT COST (1)	(C) NO. OF UNITS	(D) NO. OF MONTHS	(E) TOTAL COSTS	(F) SSY1	SF					(J) TOTAL FUNDING	(K) VARIANCE
				(B*C*D)		(G) MATCH		(H) NON-MATCH		(I) PROGRAM INCOME	(F+G+H+I)	(E - J)
						(1) CASH OTHER	(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND		
DIRECT												
[Enter name and description]												
[Enter name and description]												
[Enter name and description]												
[Enter name and description]												
[Enter name and description]												
[Enter name and description]												
[Enter name and description]												
[Enter name and description]												
TOTAL DIRECT SPACE					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
INDIRECT												
Indirect Costs (Space)					(2)	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]		
Do indirect costs exceed the fifteen percent (15%) maximum?												
GRAND TOTAL												
GRAND TOTAL SPACE					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

NOTE:

(1): Please submit supporting documentation with this Budget for any unit cost, which exceeds \$2.00 per square foot, that will be supported by the SSY1.

(2): The maximum reimbursable amount allowable for indirect costs is fifteen percent (15%) of Subrecipient's modified total direct cost reflected under Column F (SSY1 Cash Other). Indirect costs in excess of the fifteen percent (15%) maximum may be budgeted as a match in-kind contribution and used to meet the match requirement (subject to County's prior written approval).

Program Services:	Congregate Meal Services		ATTACHMENT NO. 2
Fiscal Year:	2025-2026		
Funding Type:	Nutrition Services Incentive Program (NSIP) C1		
Los Angeles County Region:	N/A		
Supervisory District:	One		
Subaward Number:	ENP252607		
Amendment Number:	One	Modification Number:	N/A
Subrecipient's Legal Name:	City of Pomona		

VII. BUDGET DETAIL - EQUIPMENT

(A) DESCRIPTION (1)	(B) EQUIPMENT TYPE (2) or (3)	(C) UNIT COST	(D) NO. OF UNITS	(E) TOTAL COSTS (C*D)	(F) SSY1 (1) CASH OTHER	SF					(J) TOTAL FUNDING (F+G+H+I)	(K) VARIANCE (E - J)
						(G) MATCH		(H) NON-MATCH		(I) PROGRAM INCOME		
						(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND	(1) CASH		
DIRECT												
[Enter description]	Select											
[Enter description]	Select											
[Enter description]	Select											
[Enter description]	Select											
[Enter description]	Select											
[Enter description]	Select											
[Enter description]	Select											
GRAND TOTAL												
TOTAL DIRECT EQUIPMENT				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

NOTE:

(1) County's approval of Subrecipient's Budget does not constitute approval for Subrecipient to purchase the Equipment/Asset. Prior approval is needed for all computing devices, regardless of cost (including but not limited to, workstations, servers, laptops, personal digital assistants, notebook computers, tablets, smartphones and cellphones) as well as all portable electronic storage media, regardless of cost (including but not limited to, thumb/flash drives and portable hard drives), and/or when Subrecipient will use \$500 or more of the SSY1 to purchase the Equipment/Asset.

Subrecipient shall obtain prior written approval from County at least thirty (30) days in advance of the date/time that Subrecipient intends to purchase the Equipment using CSY2 and no later than March 31st of the Fiscal Year. Equipment must be ordered or purchased no later than May 31st of the Fiscal Year.

Subrecipient must submit a minimum of three (3) bids when requesting approval for Equipment that is \$500 or more.

Subrecipient must ensure that the description and amount of the Equipment purchase(s) on the Budget are the same as the actual item(s) purchased.

The Grand Total Equipment purchase amount reflected under column (E) CSY2 shall match the total equipment amount reflected in the Mandated Program Services - Section I (Service Unit Summary).

(2) Purchase includes any equipment that Subrecipient intends to purchase. Subrecipient must report this using any combination of SSY1, Match Cash, and Non-match Cash.

(3) Other includes any equipment (except for leased equipment) which is not purchased by Subrecipient (e.g. donated items). Subrecipient must report this using any combination of Match In-kind and/or Non-match In-kind.

Program Services:	<u>Congregate Meal Services</u>	ATTACHMENT NO. 2
Fiscal Year:	<u>2025-2026</u>	
Funding Type:	<u>Nutrition Services Incentive Program (NSIP) C1</u>	
Los Angeles County Region:	<u>N/A</u>	
Supervisory District:	<u>One</u>	
Subaward Number:	<u>ENP252607</u>	
Amendment Number:	<u>One</u>	Modification Number: <u>N/A</u>
Subrecipient's Legal Name:	<u>City of Pomona</u>	

VIII. BUDGET DETAIL - OTHER COSTS

(A) DESCRIPTION (1)	(B) UNIT COST	(C) NO. OF UNITS	(D) NO. OF MONTHS	(E) TOTAL COSTS	(F) SSY1	SF					(J) TOTAL FUNDING	(K) VARIANCE
				(B*C*D)	(1) CASH OTHER	(G) MATCH		(H) NON-MATCH		(I) PROGRAM INCOME	(F+G+H+I)	(E - J)
						(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND	(1) CASH		
DIRECT												
Select Description (2) (3) (4) (5)												
Select Description (2) (3) (4) (5)												
Select Description (2) (3) (4) (5)												
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Select Description (2) (3) (4) (5)												
Select Description (2) (3) (4) (5)												

(A) DESCRIPTION (1)	(B) UNIT COST	(C) NO. OF UNITS	(D) NO. OF MONTHS	(E) TOTAL COSTS (B*C*D)	(F) SSY1 (1) CASH OTHER	SF					(J) ATTACHMENT FUNDING (F+G+H+I)	(K) VARIANCE (E - J)
						(G) MATCH		(H) NON-MATCH		(I) PROGRAM INCOME		
						(1) CASH	(2) IN-KIND	(1) CASH	(2) IN-KIND	(1) CASH		
Select Description (2) (3) (4) (5)												
Select Description (2) (3) (4) (5)												
(6)												
(6)												
(6)												
(6)												
TOTAL DIRECT OTHER COSTS				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
INDIRECT												
Indirect Costs (Other Costs)					(7)	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]	[Complete as needed]		
Do indirect costs exceed the fifteen percent (15%) maximum?												
GRAND TOTAL												
GRAND TOTAL OTHER COSTS				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

NOTE:

(1): Allowable costs are identified in accordance with Title 2 Code of Federal Regulations (CFR) Part 200 and Title 45 Code of Federal Regulations (CFR) Part 75.

(2): Subrecipient must obtain prior written approval from County if utilizing SSY1 for Conferences.

(3): Subrecipient must provide the following information to your assigned Contract Analyst: (a) Kind of equipment, (b) Indicate whether the equipment lease is program specific or a shared cost, (c) If a shared cost, provide the cost distribution methodology for County review and (d) Length of the lease.

(4): Effective January 1, 2025, County's approved mileage rate is \$0.66 per mile and State's mileage rate is available online at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement for mileage must not exceed the lesser of County's rate and State's rate.

(5): Subrecipient must obtain prior written approval from County if utilizing SSY1 for Travel (Other) review.

(7): The maximum reimbursable amount allowable for indirect costs is fifteen percent (15%) of Subrecipient's modified total direct cost reflected under Column F (SSY1 Cash Other). Indirect costs in excess of the fifteen percent (15%) maximum may be budgeted as a match in-kind contribution and used to meet the match requirement (subject to County's prior written approval).

Program Services:	Congregate Meal Services		ATTACHMENT NO. 2
Fiscal Year:	<u>2025-2026</u>		
Funding Type:	<u>Nutrition Services Incentive Program (NSIP) C1</u>		
Los Angeles County Region:	<u>N/A</u>		
Supervisory District:	<u>One</u>		
Subaward Number:	<u>ENP252607</u>		
Amendment Number:	<u>One</u>	Modification Number:	<u>N/A</u>
Subrecipient's Legal Name:	<u>City of Pomona</u>		

IX. BUDGET SUMMARY

(A) COST CATEGORIES			(B) COSTS (1) Total Budgeted Costs		(C) FUNDING CATEGORIES		(D) FUNDING (1) Total Budgeted Costs				
DIRECT											
1	Personnel	Cash Other (SSY1)	\$	-	1	SSY1	Cash Other (SSY1)	\$	-		
		Cash (SF)	\$	-							
		In-Kind (SF)	\$	-							
2	Volunteers	In-Kind (SF)	\$	-					Cash NSIP (SSY1)	\$	35,790
3	Volunteer Expenses	Cash Other (SSY1)	\$	-							
		Cash (SF)	\$	-					Subtotal	\$	35,790
		In-Kind (SF)	\$	-							
4	Lower Tier Subaward(s)/Subcontract(s) for Catered Food	Cash Other (SSY1)	\$	-	2	Match	Cash (SF)	\$	-		
		Cash NSIP (SSY1)	\$	35,790							
		Cash (SF)	\$	-					In-Kind (SF)	\$	-
		In-Kind (SF)	\$	-							
5	Raw Food	Cash Other (SSY1)	\$	-	3	Non-Match					
		Cash NSIP (SSY1)	\$	-					Cash (SF)	\$	-
		Cash (SF)	\$	-							
		In-Kind (SF)	\$	-							
6	Space	Cash Other (SSY1)	\$	-							
		Cash (SF)	\$	-					In-Kind (SF)	\$	-
		In-Kind (SF)	\$	-							
7	Equipment	Cash Other (SSY1)	\$	-	4	Program Income					
		Cash (SF)	\$	-							
		In-Kind (SF)	\$	-							
8	Other Costs	Cash Other (SSY1)	\$	-					Cash (SF)	\$	-
		Cash (SF)	\$	-							
		In-Kind (SF)	\$	-							
9	Subtotal Direct Costs	Cash Other (SSY1)	\$	-	5	Subtotal Funding for Direct Costs	Cash Other (SSY1)	\$	-		
		Cash NSIP (SSY1)	\$	35,790			Cash NSIP (SSY1)	\$	35,790		
		Cash (SF)	\$	-			Cash (SF)	\$	-		
		In-Kind (SF)	\$	-			In-Kind (SF)	\$	-		
Variance (Costs-Funding)		Cash									
		In-Kind									

IX. BUDGET SUMMARY

ATTACHMENT NO. 2

(A) COST CATEGORIES				(B) COSTS (1) (1) Total Budgeted Costs		(C) FUNDING CATEGORIES		ATTACHMENT N (D) FUNDING (1) (1) Total Budgeted Costs											
INDIRECT																			
10	Personnel	Cash Other (SSY1)	\$	-	6	SSY1	Cash Other (SSY1)	\$	-										
		Cash (SF)	\$	-															
		In-Kind (SF)	\$	-															
11	Volunteers	In-Kind (SF)	\$	-						7	Match								
12	Volunteer Expenses	Cash Other (SSY1)	\$	-											8	Non-Match			
		Cash (SF)	\$	-															
		In-Kind (SF)	\$	-															
13	Lower Tier Subaward(s)/Subcontract(s) for Catered Food	Cash Other (SSY1)	\$	-	9	Program Income													
		Cash (SF)	\$	-															
		In-Kind (SF)	\$	-															
14	Raw Food	Cash Other (SSY1)	\$	-						10	Subtotal Funding for Indirect Costs	Cash Other (SSY1)	\$	-					
		Cash (SF)	\$	-															
		In-Kind (SF)	\$	-															
15	Space	Cash Other (SSY1)	\$	-											11	Total Funding	Cash NSIP (SSY1)	\$	35,790
		Cash (SF)	\$	-															
		In-Kind (SF)	\$	-															
16	Other Costs	Cash Other (SSY1)	\$	-	12	GRAND TOTAL FUNDING													
		Cash (SF)	\$	-															
		In-Kind (SF)	\$	-															
17	Subtotal Indirect Costs	Cash Other (SSY1)	\$	-						12	GRAND TOTAL COSTS								
		Cash (SF)	\$	-															
		In-Kind (SF)	\$	-															
Variance (Costs-Funding)		Cash																	
		In-Kind																	
GRAND TOTAL																			
20	Total Costs	Cash Other (SSY1)	\$	-	11	Total Funding	Cash Other (SSY1)	\$	-										
		Cash NSIP (SSY1)	\$	35,790			Cash NSIP (SSY1)	\$	35,790										
		Cash (SF)	\$	-			Cash (SF)	\$	-										
		In-Kind (SF)	\$	-			In-Kind (SF)	\$	-										
21	GRAND TOTAL COSTS		\$		35,790	12	GRAND TOTAL FUNDING		\$		35,790								
Variance (Costs-Funding)				\$0															
Subrecipient meets minimum match requirement.																			

NOTE:

(1): Costs and Funding must match.

EXHIBIT C1.1 (MANDATED PROGRAM SERVICES)
AMENDMENT 1 {FY 2025-26 NSIP FUNDING}

Program Services:	Congregate Meal Services		
Fiscal Year:	2025-26		
Funding Type:	Nutrition Services Incentive Program (NSIP) C1		
Los Angeles County Region:	N/A		
Supervisorial District:	One (1)		
Subaward Number:	ENP252607		
Amendment Number:	One	Modification Number:	N/A
Subrecipient's Legal Name:	City of Pomona		

505 S Garey Ave	Pomona	CA	91767
Main Administrative Office Address	City	State	Zip Code

P.O. Box 660	Pomona	CA	91769
Mailing Address (if different from above)	City	State	Zip Code

Ms.	Anita Scott	City Manager	909-620-2311	2052	anitascott@pomonaca.gov
Prefix	Authorized Representative	Job Title	Phone Number	Ext.	E-Mail Address

Mr.	Mike Osoff	Community Service Manager	909-620-2039	2039	mike.osoff@pomonaca.gov
Prefix	Project Manager	Job Title	Phone Number	Ext.	E-Mail Address

Ms.	Stephanie Carbajal	Management Analyst	909-620-2005	2005	stephanie.carbajal@pomonaca.gov
Prefix	Budget Analyst	Job Title	Phone Number	Ext.	E-Mail Address

COUNTY USE ONLY			
Assigned Program Analyst:	Jorge Peña		
Assigned Contract Analyst:	Lynn Tran		
MPS Reviewed and Approved by:	Jorge Peña	Date:	11/18/2025

Program Services:	Congregate Meal Services		
Fiscal Year:	2025-26		
Funding Type:	Nutrition Services Incentive Program (NSIP) C1		
Los Angeles County Region:	N/A		
Supervisory District:	One (1)		
Subaward Number:	ENP252607		
Amendment Number:	One	Modification Number:	N/A
Subrecipient's Legal Name:	City of Pomona		

I. UNITS OF SERVICE SUMMARY

(A) SERVICE CATEGORY	(B) FUNDING SOURCE	(C) UNITS OF SERVICE (3)	(D) UNIT RATE (2)	(E) FUNDING AMOUNT (5)	(F) NO. OF UNDUPLICATED CLIENTS (1)
All Congregate Meals	SSY1 (6) (Cash NSIP)	35,790	\$ 1.00	\$ 35,790	138
	SF (7) (Cash and In-Kind)	-	[Enter Unit Rate]		
	Total (4)	35,790	\$ 1.00	\$ 35,790	
Equipment (Purchases) (8)				[Enter Approved Amount]	
Equipment (Other) (9)				[Enter Approved Amount]	
GRAND TOTAL SERVICES/FUNDING		35,790		\$ 35,790	138

NOTE:

- (1) Please Enter the total number of unduplicated clients that will be served by your agency. Unduplicated clients are individuals who meet the eligibility requirements outlined in Exhibit A (Statement of Work and Attachments). These individuals are counted only once within a FY for reporting purposes.
- (2) Please Enter the Unit Rates: a) for SSY1 (Cash NSIP) (i.e., approved rate to be reimbursed by County as reflected in the funding allocation letter) and b) for SF (amount of Match, Non-Match, and Program Income - reflected as a rate - that will be funded by Subrecipient for the Services).
- (3) Please enter the number of Units for the Service Category to be provided using SSY1 (Cash NSIP) and SF.
- (4) The Total Unduplicated Units for the Service Category under column (C) Units of Service must match the corresponding Total Units reflected in Section II, (Services by Month) column (P) Total.
- (5) The Total and Grand Total amounts under column (E) Funding Amount must match the Total and Grand Total amounts reflected in Exhibit B1.3 (Budget) (cover page) column (F) Total Funding.
- (6) SSY1: Subaward Sum Year 1
- (7) SF: Subrecipient's Funds
- (8) Enter the approved amount of equipment purchase(s) that is reflected in Exhibit B1.3 (Budget).
- (9) Enter the amount of equipment (other) that is reflected in Exhibit B1.3 (Budget).

Program Services:

Congregate Meal Services

Fiscal Year:

2025-26

Funding Type:

Nutrition Services Incentive Program (NSIP) C1

Los Angeles County Region:

N/A

Supervisory District:

One (1)

Subaward Number:

ENP252607

Amendment Number:

One

Modification Number:

N/A

Subrecipient's Legal Name:

City of Pomona

II. SERVICES BY MONTH - ALL CONGREGATE MEALS

(A) LINE NO.	(B) SITE NAME	(C) NO. OF UNDUP. CLIENTS	(D) JUL	(E) AUG	(F) SEP	(G) OCT	(H) NOV	(I) DEC	(J) JAN	(K) FEB	(L) MAR	(M) APR	(N) MAY	(O) JUN	(P) TOTAL (1)
1	All Congregate Meals	138	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	35,790
2															0
3															0
4															0
5															0
6															0
7															0
8															0
9															0
10															0
11															0
12															0
13															0
14															0
15															0
Grand Total		138	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	2,983	35,790

NOTE:
(1) The Grand Total Units under column (P) Total must match the Total reflected in Section I (Units of Service Summary) column (C) Units of Service Total.

**EXHIBIT D
(COUNTY'S ADMINISTRATION)**

FISCAL YEAR: 2025-26 **Effective as of:** 9/1/2025

COUNTY'S DEPARTMENT HEAD

Name: Maral Karaccusian
Title: Interim Director
Address: 510 South Vermont Avenue
Los Angeles, Ca 90020
Telephone: (213) 716-9002
E-Mail Address: mkaraccusian@ad.lacounty.gov

COUNTY'S CONTRACT MANAGER

Name: Ms. Irma Panosian
Title: Administrative Services Manager III
Address: 510 South Vermont Avenue
Los Angeles, Ca 90020
Telephone: (323) 336-5426
E-Mail Address: ipanosian@ad.lacounty.gov

COUNTY'S PROGRAM MANAGER

Name: Mr. Miguel Robleto
Title: Program Manager
Address: 510 South Vermont Avenue
Los Angeles, Ca 90020
Telephone: (213) 738-2737
E-Mail Address: mrobleto@ad.lacounty.gov

COUNTY'S COMPLIANCE MANAGER

Name: Ms. Susana Ortega
Title: Program Manager
Address: 510 South Vermont Avenue
Los Angeles, Ca 90020
Telephone: (323) 459-9141
E-Mail Address: sortega@ad.lacounty.gov

COUNTY'S EMERGENCY COORDINATOR

Name: Mr. Henry Lopez
Title: Program Manager
Address: 510 South Vermont Avenue
Los Angeles, Ca 90020
Telephone: (213) 738-2337
E-Mail Address: hlopez@ad.lacounty.gov

EXHIBIT Q
(ACCOUNTING, ADMINISTRATION AND REPORTING REQUIREMENTS)

- Revised September 2025 -

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EXHIBIT Q

(ACCOUNTING, ADMINISTRATION AND REPORTING REQUIREMENTS)

The purpose of this Exhibit Q is to provide organizations (Subrecipients) that contract with County of Los Angeles (County) with guidance on key accounting, financial reporting, internal control, and contract administration standards, along with best practices and recommended approaches that will help to promote accountability, protect the integrity of assets and financial information, and minimize the risk of fraud.

The accounting, financial reporting and internal control standards presented in this Exhibit Q are fundamental and derived from applicable federal, State, and County regulations and guidelines. These standards are not intended to be all inclusive or replace acceptable existing procedures or preclude the use of more sophisticated methods, or supersede any laws or requirements imposed by the applicable funding sources (i.e., federal, State, and County agencies) that may be more restrictive and/or stringent. Instead, this Exhibit Q includes the minimum required federal, State and County required procedures and controls that must be incorporated into Subrecipient's accounting and financial reporting systems to ensure compliance, as well as guidance on other recommended procedures and controls. Subrecipient certifies that throughout the entirety of this Subaward, it shall maintain the required level of staffing as outlined in this Subaward. Therefore, the internal control standards described herein are those that apply to Subrecipient's organization and Subrecipient must comply with the intent of these standards and implement internal control systems in its performance of the Work hereunder. Subrecipient's subcontractors must also follow these standards unless otherwise stated in this Subaward.

A. ACCOUNTING AND FINANCIAL REPORTING

1.0 Basis of Accounting

Subrecipient must maintain written financial and accounting procedures which incorporate Generally Accepted Accounting Principles and Subrecipient must adhere to the requirements set forth therein. Unless otherwise specified by the applicable funding source, Subrecipient may elect to use either the accrual basis or cash basis of accounting during the Fiscal Year for recording financial transactions. Subrecipient must ensure their basis of accounting is adequately documented in their accounting policies. Monthly invoices must be prepared on the same basis that is used for recording financial transactions. All financial reports required by County must be prepared by Subrecipient using accrual information and must be submitted as directed by County.

County generally recommends the use of the accrual basis for recording financial transactions when appropriate.

1.1 Accrual Basis

Under the accrual basis for recording financial transactions, revenues are recorded in the accounting period in which they are earned (rather than when cash is received). Expenditures are recorded in the accounting period in which they are incurred (rather than when cash is disbursed).

Recorded accruals (e.g., to estimate expenditures) should be reversed in the subsequent accounting period or when deemed appropriate and/or necessary to ensure revenues and expenditures are not double counted, and are in compliance with Generally Accepted Accounting Principles (GAAP).

1.2 **Cash Basis**

If Subrecipient elects to use the cash basis for recording financial transactions during the Fiscal Year:

- Necessary adjustments must be made to record the accruals at the beginning and the end of each Fiscal Year, and at the end of the Subaward.
- All computations, supporting records, and explanatory notes used in converting from the cash basis to the accrual basis must be retained.

1.3 **Prepaid Expenses**

Prepaid expenses (e.g., insurance, service agreements, lease agreements, etc.) must be expensed during the appropriate Subaward Fiscal Year to the extent goods and Services are received or are applicable to that Fiscal Year.

2.0 **Accounting System**

Subrecipient must maintain a double entry accounting system (utilizing debits and credits) and adequate, accurate, and reliable financial records in accordance with GAAP. The financial records must provide a comprehensive audit trail, and typically include, but may not be limited to a General Journal, a Cash Receipts Journal, a General Ledger, a Cash Disbursements Journal, and a Payroll Register or equivalent records as described in this Exhibit Q. Postings to the General Ledger and Journals must be made timely, at least on a monthly basis. Subrecipient must maintain a separate Cost Center(s), which clearly identifies funds received and expended on Services provided.

2.1 **General Journal**

A General Journal (or equivalent records) must be maintained to ensure transactions are recorded accurately and timely in the order they occur, and for recording adjusting entries, reversing entries, closing entries, and other financial transactions not normally recorded in the Cash Receipts Journal or Cash Disbursements Journal (or their equivalent records). Entries in the General Journal (or equivalent records) must be adequately documented and entered in chronological order with sufficient explanatory notations to support the transaction.

<u>Example:</u>	DR	CR
Rent Expense	100	
Rent Payable		100

To record accrued rent to March 31, 20XX

2.2 **Cash Receipts Journal**

A Cash Receipts Journal (or equivalent records) must be maintained for recording and identifying all cash inflows and sources of income (e.g., County warrants, contributions, interest income), and should, at a minimum, contain the following information:

- Date
- Invoice, Reference and/or Receipt Number (if applicable)
- Amount of Cash or Income Received
- Name of Accounts Debited (e.g., Cash) and Credited (e.g., Income) for the following:
 - County payments
 - Contributions/Donations
 - Other Income (e.g., grants, sales of supplies/services, rental income, miscellaneous revenue, fees, etc.)
- Description to clearly specify the source of cash receipts)

2.3 Cash Disbursements Journal

A Cash Disbursements Journal (or equivalent records) must be maintained for recording all cash outflows or disbursements (e.g., rent, utilities, maintenance, etc.) to manage and track outgoing funds, and should, at a minimum, contain the following information:

- Date
- Invoice, Reference, and/or Check Number (if applicable)
- Amount of Cash Disbursed
- Name of Accounts Debited or Credited
- Payment Method (e.g., cash, check, electronic transfer)
- Description to clearly specify the nature of the cost and the corresponding cost classification, if not included in the column heading.

Checks should not be written to employees (other than payroll, reimbursements for small incidental out-of-pocket costs, mileage, travel, and petty cash custodian checks).

A Check Register may be substituted for the Cash Disbursements Journal (or equivalent records), but this is not recommended. If used, the Check Register (or equivalent records) must contain the same cost classifications and description information required when a Cash Disbursements Journal (or equivalent records) is used.

2.4 General Ledger

A General Ledger (or equivalent records) must be maintained with accounts for all assets, liabilities, fund balances/net assets, expenditures, and revenues to ensure the accuracy, consistency, and transparency of all financial transactions in accordance with GAAP. Separate accounts or cost centers must be maintained for the revenues (e.g., donations, grants, rental income, miscellaneous revenue) and expenditures of each of Subrecipient's programs and activities (both County and non-County programs).

2.5 Chart of Accounts

A Chart of Accounts (or equivalent records) must be maintained to organize and classify financial transactions accurately and consistently in accordance with GAAP:

- County recommends that Subrecipient use the expense account titles on the monthly invoice submitted to County.
- If Subrecipient uses account titles which differ from the account titles on the monthly invoice, each account title should clearly identify the nature of the transaction(s) posted to the account.
- Subrecipient must consistently post transactions that are of a similar nature to the same account. For example, all expenses for travel can be posted to the account titled "travel" or "travel expense" but must not be intermixed with other expense accounts.

2.6 Payroll Register

A Payroll Register (or equivalent records) must be maintained to manage payroll activities, detail the necessary payroll information, and ensure payroll transactions and payments are accurate. The Payroll Register (or equivalent records) should contain the following for each employee:

- Name
- Position
- Unique code identifying each employee (e.g., employee number/ID)
- Salary or hourly wage
- Payment Record including:
 - Accrual Period
 - Gross Pay
 - Itemized Payroll Deductions
 - Net Pay Amount
 - Check/Payment Number

Subrecipient must ensure compliance with:

- All applicable federal and State requirements for withholding payroll taxes (e.g., FIT, FICA, FUTA, SIT, SIU), reporting, filing (e.g., 941, DE-7, W-2, W-4, 1099), and all applicable tax deposits. Internal Revenue Service and State guidelines in properly classifying employees and independent contractors.

3.0 Information and Supporting Documentation Requirements

Subrecipient must retain the original source document for inspection by County. All revenues and expenditures charged to County must be supported by original vouchers, invoices, receipts, or other documentation to clearly establish the nature and the reasonableness of the expenditure and its relevance to County program, and evidence of actual payment (e.g., canceled checks, proof of electronic funds transfer). Internally generated documents (e.g., vouchers, request for check forms, requisitions), and bank and credit card account statements alone do not constitute supporting documentation for revenues and expenditures.

If Subrecipient is unclear as to the appropriate documentation that must be maintained to support an expenditure, Subrecipient should consult with the County before the expenditure is charged County. Unsupported or inadequately supported expenditures will be disallowed upon audit. Subrecipient will be required to repay County for all dollar-for-dollar disallowed costs.

Electronic documentation is permitted when the source documentation originated electronically (e.g., electronic bills and bank statements). To the extent that the source for electronic documentation is an original hardcopy document (e.g., PDF scans of original vendor invoices), County at its sole discretion may accept photocopies of supporting documentation in preference to the original documents subject to any limitations imposed by the applicable funding sources(s) (i.e., federal, State, and County agencies), and if Subrecipient maintains adequate internal controls over their information technology systems and data (e.g., electronically stored information, records, or documentation) as required by the standards described in this Exhibit Q and any other applicable federal, State, and County requirements. Failure to provide original hardcopy documents and/or maintain an adequate system of internal controls over electronic documentation to support expenditures charged to County will result in inadequately supported expenditures and will be disallowed upon audit.

Supporting documentation is required for various types of expenditures. Subrecipients must provide acceptable supporting documentation for all expenditures, and, with regard to the following categories of expenditures, acceptable supporting documentation shall consist solely of the documentation listed for each expenditure type. Another form of documentation may be used, in lieu of the listed types of acceptable supporting documentation, provided Subrecipient obtains prior written approval of County to use a specific type of alternative documentation.

Payroll – timecards and attendance records signed by an employee and an employee's supervisor (in ink or electronically) certifying the accuracy and approval of the reported time. approved in writing by a supervisor; time distribution records by Program accounting for total work time on a daily basis for each employee; records showing actual expenditures for payroll, Social Security and unemployment insurance; State and Federal quarterly tax returns; Federal W-2 forms; Federal W-4 forms, and any other records to support payroll tax payments. Personnel records shall also be maintained documenting employee pay rates. Personnel records shall also contain documentation confirming that educational and practical experience requirements of an employee's position have been met. Where licensure is a requirement of an employee's position, Subrecipient's personnel file must contain proof that employees have the required licenses/certifications. Criminal record clearances as required.

Consultant Services – Subawards (detailing the nature and scope of services to be provided), time and attendance records, billing rates, travel vouchers (detailing purpose, time and location of travel), purchase orders, itemized invoices and proof of receipt of good/services or other supporting documentation detailing specific service(s) provided and rate(s) of compensation applied to support total amounts charged. Subrecipient must also maintain copies of all completed federal form 1099s, establishing that all payments to all consultants were reported in a timely fashion to federal and State taxing agencies.

Payments to Affiliated Organizations or Persons (i.e., Related Party/Less-Than-Arm's-Length Transactions) – Financial records (e.g., general ledgers, payroll registers, labor distributions, invoices/receipts) of the affiliated or related organizations/persons; price and rate quotations for the same services/goods from an adequate number of independent and qualified sources; cost and price analysis; vendor selection analysis; other documentation to support payments to

affiliated organizations or persons did not exceed the lesser of actual costs of the affiliated or related organizations/persons or the reasonable costs for services rendered or items purchased (see Section C.1.2 for additional guidance)

Loans (including, but not limited to, loans to Subrecipient from employees and/or related parties) – Written loan agreement approved by Subrecipient's board of directors; documentation showing that loaned funds were deposited into a Subrecipient bank account; documentation showing that loan proceeds were actually used for the Program. To the extent that the loan agreement provides for the payment of interest, the interest may not be an allowable expenditure under this Subaward. If the payment of interest is allowable, interest must not be accrued at a rate which exceeds the County Treasury Rate plus one percent.

Travel – prior, written approval from County's Contract Manager for travel expenses related to providing Services under this Subaward; written travel policies of Subrecipient; travel expense vouchers showing location, date and time of travel, purpose of trip, benefit(s) to the Program and rates claimed; vehicle mileage logs showing dates, destination and headquarters, purpose of trip, and beginning and ending odometer readings and the resulting mileage. Vehicle mileage logs must clearly identify business versus non-business, or personal travel. For travel related to conferences, Subrecipient must at a minimum retain conference literature, such as agendas and handouts, or other documentation detailing the purpose of the conference, as part of Subrecipient's documentation of the propriety of the travel expenditure, and its applicability to the Work performed by Subrecipient hereunder.

Reimbursement rates for mileage must not exceed the lesser of County's rate (which County shall provide to Subrecipient annually) and State's mileage rate (which is available online at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>).

Reimbursement for actual receipts or per diem rates for meal expenses must not exceed the maximum County's reimbursement rate for employees.

Receipts must be required for lodging for approved out-of-town travel. Maximum reimbursable lodging amount is County's maximum reimbursement rate for employees for a single occupancy hotel accommodation. Receipts must also be required for airfare, car rentals, meals, ground transportation and parking.

Operating Expenses (e.g., utilities, office supplies, equipment rentals, etc.) – bona fide subawards or lease agreements, if applicable. Invoices and receipts detailing the cost and items purchased. Subrecipient must maintain documentation acknowledging the receipt of the specific goods and services for the expenditure (e.g., itemized delivery confirmations, stock received reports, packing slip signed by the receiving employee, etc.). For internal control purposes, Subrecipient may also maintain vouchers, purchase orders, requisitions, etc.

Vehicle Expenses – A vehicle mileage log (or equivalent record) must be maintained which established the extent to which company owned vehicles are used for business, versus non-business purposes. For all business-related trips, the log must identify trip dates, the origin and destination of the trip along with beginning and ending odometer readings and the resulting mileage. For other vehicle expenses such as gasoline and maintenance, invoices/receipts must be

maintained which reflect the vehicle license number, or vehicle identification number of the vehicle being serviced or fueled. The record maintenance requirements for company-owned vehicles, also applies to personal vehicles used for business purposes.

Outside Meals – receipts and/or invoices for all meals, a record of the nature and business purpose of each meal, and identification of the Client(s).

3.1 Filing

All relevant supporting documentation for reported Program expenditures and revenues must be filed in a systematic and consistent manner. It is recommended that supporting documents be filed as follows:

- Checks/Payments – Numerically
- Invoices – Vendor name and date
- Vouchers – Numerically
- Receipts – Chronologically
- Timecards – Pay period and alphabetically

3.2 References

Accounting transactions posted to Subrecipient's books shall be appropriately cross-referenced to supporting documentation. When applicable, it is recommended that expenditure transactions on Subrecipient's books be cross-referenced to the supporting documentation as follows:

- Invoices – Vender name and date
- Checks – Number
- Vouchers –Number

Supporting documentation for non-payroll expenditures (i.e., operating expenditures) should be cross-referenced to the evidence of actual payment (e.g., corresponding check issued for payment, bank statement). If multiple invoices are paid with one (1) check or transaction, all related invoices should be bound together and cross-referenced to the evidence of actual payment.

3.3 Security Over Documentation

Adequate care must be exercised to safeguard the financial records, including accounting records and supporting documentation. Any destruction or theft of the Subrecipient's financial records must be immediately reported to the County. Subrecipient must report, to the local law enforcement agency having jurisdiction, any act(s), which may reasonably constitute a crime and appear to have resulted in the destruction, damage, or alteration of any record subject to the provisions of this Exhibit Q. Subrecipient must make their report to the local law enforcement agency within twenty-four hours of becoming aware of the acts which resulted in the destruction, damage, or alteration of the record.

A copy of the resulting crime/incident report must be retained by Subrecipient for the same period of time the underlying records that were destroyed/damaged were required to be retained (see Section A.3.4), and must be retained for a longer period in the case of unresolved litigation or audit.

3.4 Retention

All financial records, including accounting records (e.g., journals, ledgers) and supporting documentation, must be retained for a minimum of three years after the termination of Subrecipient's Subaward or the date of submission of the final invoice, billing, or expenditure report, unless a longer retention period is prescribed by this Subaward or applicable laws and regulations, in which case the Subrecipient must comply with the longer retention period and all other retention requirements set forth in the Subaward or the applicable laws and regulations.

3.5 Protection of Electronically Stored Information

Subrecipient must employ sufficient security measures to safeguard all County non-public information (e.g., confidential information including, but not limited to, the names and addresses of individuals, Social Security numbers, credit card information) that is electronically stored and used. Subrecipient is also responsible for the security of any County non-public information that is transmitted, exchanged, or shared with other authorized individuals and/or organizations including, but not limited to, third-party vendors/providers, subcontractors, contractors/consultants, or other external parties.

Information security and privacy safeguards (e.g., policies, access restrictions, employee background checks, training programs, cyber liability insurance, encryption) and standards must be developed, implemented, and maintained in accordance with applicable standards described in this Exhibit Q, the County Board of Supervisors (Board) Policy 5.200, and any other applicable federal, State, and County requirements (e.g., County Agreement, applicable sections of the Board Policy Manual).

4.0 Donations and Other Sources of Revenue

For Subrecipients that use donations and/or other sources of revenue (e.g., grants, sales of supplies/services, rental income, miscellaneous revenue, fees) to pay for expenditures related to County service, Subrecipient must maintain accounting and other financial records that clearly identify the specific expenditures that were paid for with the other source(s) of revenue. Restricted donations and other sources of revenue earmarked specifically for this Subaward must be utilized on allowable Subaward expenditures. Similarly, income from investments (e.g., interest, dividends), where the source of the amount invested is County program funds, must be deemed restricted revenue that must be utilized on allowable expenditures, or returned to County.

5.0 Audits

For routine audits and inspections, Subrecipient will make available County and any of its duly Authorized Representatives (including State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives), upon request, during County's hours of operation, throughout the duration of this Subaward and for the authorized retention period outlined in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement) of this Subaward, all of its books and records, including but not limited to those which relate to its operation of each project or business activity which is

funded in whole or part with governmental monies, whether or not such monies are received through County. All such books and records shall be maintained at a location within Los Angeles County.

In general, audits will normally be performed during normal business hours, Monday through Friday. However, County retains the right to inspect and conduct investigations of Subrecipient's fiscal operations and subaward compliance at any time, without prior notice to Subrecipient seven days a week, when County has information which it, in its sole discretion, justifies such an unannounced visit, inspection, audit or investigations.

6.0 Single Audit Requirements

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audit Requirements" requires organizations that expend the applicable threshold (e.g., \$750,000 (prior to October 1, 2024), \$1,000,000) or more in federal awards during their fiscal year (including pass-through awards) to have a single audit conducted in accordance with Generally Accepted Government Auditing Standards for that year. Additional details regarding single audit requirements are included in Uniform Guidance.

A copy of any single audit report must be filed with the County upon request or within the timeframes prescribed by this Subaward, or any extended timeframes granted by the federal Office of Management and Budget (OMB).

7.0 Unique Entity Identifier and System for Award Management Requirements

Title 2 United States Code of Federal Regulations "Unique Entity Identifier and System for Award Management" requires organizations receiving federal funds to have a "Unique Entity Identifier (UEI)" and register with the System for Award Management (SAM.gov), unless exempted by federal statute. Subrecipient must maintain documentation to demonstrate they have a current and active UEI and registration in SAM.gov, if applicable. Additional details regarding UEI requirements are included in the Electronic Code of Federal Regulations (eCFR) and SAM.gov.

B. INTERNAL CONTROLS

1.0 Internal Controls Overview

Internal controls are processes designed to provide assurance regarding the achievement of Subrecipient's objectives relating to operations, reporting, and compliance, and should safeguard Subrecipient's assets from misappropriations and misuse. Subrecipient must prepare necessary written procedures establishing internal controls for its staff's use. Subrecipient must instruct all of its staff in these procedures and continuously monitor operations to ensure compliance with their own policies and procedures, and any other applicable funding source requirements (e.g., Uniform Guidance).

2.0 Cash and Revenues

Cash or cash equivalents (e.g., checks, money orders, other liquid assets such as prepaid/EBT/gift cards) and revenue must be adequately monitored to ensure they are properly accounted for, safeguarded, and accurately reported.

2.1 Separate Bank Account or Cost Center

All Subaward Sums must be maintained in a bank account. Subaward Sums must be used exclusively for Services funded under this Subaward and must not be commingled with any other monies of Subrecipient. If revenues from other sources are maintained in the same bank account, revenues for each source must be clearly identifiable on the accounting records through the use of cost centers or separate bank accounts.

2.2 Manual Deposits

When cash or cash equivalents are received by mail, two employees should be assigned to open the mail and list all collections received on a receipts/check remittance log.

All County checks should be restrictively endorsed upon receipt. Cash and cash equivalents received should be recorded on pre-numbered receipts and the receipts/check remittance log should be reconciled to the amount being deposited.

Voided receipts must be retained and the sequences of receipts issued/ voided shall be periodically accounted for.

Cash and cash equivalents totaling \$500 or more must be deposited within one (1) day of receipt. Collections of less than \$500 may be held, and must be secured and deposited weekly or when the total reaches \$500, whichever occurs first. If Subrecipient can establish that a larger limit is warranted, Subrecipient may request authorization from County to increase the limit to an amount greater than \$500.

Duplicate deposit slips should be retained and filed chronologically, and must contain sufficient reference information for comparison to the Cash Receipts Journal (or equivalent records) and individual receipts, if applicable. Subrecipient should retain a photocopy of County warrants reflected on each deposit slip, or record the individual warrant numbers on the deposit slip.

2.3 Separation of Duties Over Deposits and Cash

Employees' duties must be separated to ensure that one individual does not control all key aspects (e.g., receiving, receipting, depositing, disbursing, reconciling, recording) of a transaction. For example, an employee who does not handle cash or cash equivalents should record all receipts in Subrecipient's accounting records.

2.4 Bank Reconciliations

Bank statements should be received and reconciled by someone with no cash handling or check writing/preparation responsibilities. The person reconciling the bank account(s) should receive the bank statement(s) directly from the bank.

Monthly bank reconciliations should be prepared and reviewed by management for appropriateness and accuracy within thirty (30) days of the bank statement

date. The bank reconciliations should be signed and dated by both the preparer and the reviewer. Reconciling items should be resolved timely.

2.5 Bonding

All officers, employees, and Subrecipients who handle cash or have access to the Subrecipient's funds (e.g., prepare checks) must be bonded pursuant to Subparagraph 8.25 (Insurance Coverage) of this Subaward.

3.0 Disbursements

All disbursements (other than those made for petty cash, purchases) must be made using Subrecipient's check, electronic funds transfer, or debit/credit card.

Blank check stock must be secured and accounted for to preclude unauthorized use.

Checks must not be payable to "cash" or signed in advance. Similarly, electronic debits to "cash" must not be made. Checks written to employees for reimbursement of out-of-pocket costs must be supported by receipts and invoices.

Voided checks must be marked void. If paper checks are used, the signature block must be cut out. Voided checks must be maintained with the cancelled checks. Returned or undelivered checks must be canceled regularly, but no less frequent than monthly.

Unclaimed checks must be cancelled periodically, but no less frequent than every six months.

All supporting documentation should reference the payment made for the expenditure (e.g., check number, transaction number for an electronic funds transfer, credit card payment) and marked "paid" or otherwise canceled to prevent duplicate payments or reuse.

Disbursements without adequate supporting documentation and/or without adequate controls over electronic documentation (See Section A.3.0 regarding the use of electronic documentation) will be disallowed upon audit.

A second signature is recommended on all checks over \$500, unless otherwise authorized by County in writing.

3.1 Approvals and Separation of Duties Over Disbursements

Employees responsible for approving cash disbursements and/or signing checks should examine all supporting documentation at the time the checks are approved and signed.

All disbursements, excluding petty cash purchases, should be approved by persons independent of check preparation and bookkeeping activities.

In instances where the payee is also a signor on the check, the disbursement must be reviewed and approved by a higher level employee, or Board member who must also sign the check. If the bookkeeper signs checks, a second signature must be required on the checks, regardless of limits specified in the Subaward.

3.2 **Credit Cards**

Credit cards issued in Subrecipient's name must be adequately safeguarded and usage monitored to ensure that only authorized and necessary items are purchased.

Credit card purchases should be pre-approved by Subrecipient management to ensure that they are reasonable and necessary.

The use of an employee's personal credit card on behalf of the Subrecipient for authorized and necessary items must be limited to purchases where established purchasing and disbursement practices are not suitable.

All credit card disbursements must be supported by original invoices, store receipts, or other external authenticating documents indicating each item purchased, the employee making the purchase, and the justification for the purchase. ***Credit card statements alone are not sufficient support for credit card purchases.*** See Section A.3.0 regarding the use of electronic documentation.

Employee duties must be separated so that the same person cannot approve purchases, reconcile credit card statements, approve reconciliations, or approve payments. Cardholders should not perform any of these duties.

Monthly credit card statements should be reconciled to the source documentation for the expenditure and reviewed by management in a timely manner for appropriateness and accuracy. Any discrepancies must be reviewed, researched, and resolved immediately. The credit card reconciliations should be signed and dated by the reconciler and reviewer.

3.3 **Petty Cash**

Petty cash must NOT be used as a substitute for normal purchasing and disbursement practices (i.e., payment by check).

Subrecipient may establish a petty cash fund up to \$500 to pay for **small** incidental expenditures incurred (e.g., postage due, parking meters, small purchases of office supplies), and may establish multiple petty cash funds when appropriate (i.e., petty cash fund for each location where services are rendered). Subrecipient must obtain written approval from County to establish a single petty cash fund greater than \$500. Applicable policies and procedures must be established to ensure accountability and restrict the usage of petty cash to the intended purpose of the fund.

Petty cash disbursements must be supported by original invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. If external supporting documentation is not obtainable for minor disbursements (under \$10), such as parking meters, fee, etc., then some written documentation should be maintained and approved by a supervisory employee not associated with the transaction. See Section A3.0 regarding the use of electronic documentation.

The petty cash fund should be maintained on an imprest (fixed) basis. A check should be drawn to set up the fund and to periodically replenish the fund up to the imprest amount. Receipts, vouchers, etc., supporting each fund replenishment should be cross referenced to the reimbursement check.

A petty cash log (or equivalent record) must be maintained for each petty cash fund to track the usage and replenishment of petty cash. Petty cash logs should be reviewed monthly by a higher-level employee not having responsibilities over the respective petty cash fund to ensure petty cash funds are being used for their intended purposes.

There should be a separate petty cash fund custodian assigned for each petty cash fund established. The petty cash fund custodian should:

- Not have any other cash handling responsibilities (i.e., sign checks).
- Be responsible for maintaining and disbursing the petty cash funds and requesting replenishment of the fund up to its imprest amount when necessary.
- Reconcile the petty cash fund amount to the cash-on-hand, receipts/invoices for which replenishment has not yet been requested, and replenishment requests in process, but not yet received, each day the petty cash fund is used.

Petty cash must be secured at all times in a locked safe, file cabinet, or cash drawer. Access to the petty cash fund should be limited to the petty cash fund custodian and one other employee in case of absence or emergency.

Surprise cash counts of each petty cash fund should be conducted periodically, but no less than quarterly, to ensure the petty cash fund is being maintained as required. The cash counts should be conducted by a higher-level employee not having cash handling responsibilities over the specific fund being counted. Documentation should be maintained to support each cash count conducted and should be signed and dated by the employee conducting the cash count.

3.4 **Other Liquid Assets**

Liquid assets must NOT be used as a substitute for normal purchasing and disbursement practices (e.g., payment by check).

Subrecipient must centrally monitor any liquid assets that can easily be converted to personal use (e.g., bus tokens/passes, prepaid/EBT/gift cards, tickets, vouchers). Applicable policies and procedures must be established to ensure accountability and restrict the usage of liquid assets to their intended purposes. The distribution and usage of liquid assets must be supported by a log and/or external authenticating documents. The documents must clearly identify each item distributed/used, amounts issued, the date of distribution/usage, and the name and signature of the recipient/user. If the liquid assets (e.g., gift cards, prepaid cards) are used to pay for other expenditures, additional documentation must be maintained to support the expenditures as required by Section A.3.0.

Logs and/or other external authenticating documents should be reviewed monthly by a higher-level employee not having responsibilities over the respective liquid asset to ensure liquid assets are being used for their intended purposes.

A custodian should be assigned to monitor liquid assets, and should:

- Not have any other cash handling responsibilities (e.g., sign checks).
- Be responsible for maintaining and distributing the liquid assets and requesting replenishment when necessary.
- Reconcile the log to the liquid assets-on-hand and the documentation supporting the distribution and usage of the liquid assets to-date, each day liquid assets are distributed and used.

Liquid assets must be safely secured at all times (e.g., in a locked safe, file cabinet, or drawer). Access to liquid assets should be limited to the custodian and one other employee in case of absence or emergency.

Surprise counts of each liquid asset should be conducted periodically, but no less than quarterly, to ensure liquid assets are being maintained as required. The counts should be conducted by a higher-level employee not having responsibilities over the liquid asset being counted. Documentation should be maintained to support each count conducted and should be signed and dated by the employee conducting the count.

4.0 Payroll and Personnel Records

Adequate payroll and personnel records must be maintained to support payroll transactions. Payroll and/or personnel records should include, but not be limited to, the following:

- Employee's authorized salary rate
- Employee information sheet (e.g., employee contact information, emergency contact information)
- Resume and/or application
- Proof of qualifications for the position, if required (e.g., job description, notarized copy or original diploma, academic transcripts, license(s))
- Criminal record clearance (if required)
- Citizenship status
- Benefit balances (e.g., paid time off, sick time, vacation, etc.)
- Health Clearances (if required)

In addition, personnel records should also include disclosures of any relationships with other Subrecipient employees or associates.

4.1 Timecards

Timecards or time reports must be prepared for each employee each pay period. If an employee works on multiple County/non-County programs and/or activities, the total hours charged to each of the programs and/or activities must be based on actual conditions (e.g., total hours worked each day by program and the total hours charged to each of Subrecipient's programs, time studies, full-time equivalents).

Time or budget estimates (i.e., estimates determined before the Services are performed) alone do not qualify as support for payroll expenditures and will be disallowed upon audit. Time or budget estimates may be used for interim accounting purposes, unless prohibited by Subaward or applicable funding

source(s), provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed. Significant changes in work activity must be identified and adjusted in the financial records in a timely manner. Subrecipient's system of internal controls must include processes to review after-the-fact interim charges made using time or budget estimates, and be adequately documented. All necessary adjustments must be made such that the final amount charged to the County is accurate, allowable, appropriately allocated, and based on actual conditions.

All timecards and time reports must be signed in ink by the employee and the employee's supervisor to certify the accuracy of the reported time.

To the extent Subrecipient utilizes electronic timecards and time reports, Subrecipient's electronic time reporting system must be designed to comply with the internal control standards described in this Exhibit Q, and any other applicable federal, State, and County requirements in this Subaward, and support the report the reporting of accurate and reliable financial information.

4.2 Benefit Balances

Employee benefit balances (e.g., paid time off, sick time, vacation) should be maintained on at least a monthly basis. Benefit balances must be increased when benefit hours are earned and decreased as hours are used.

4.3 Incentive Compensation

Incentive compensation paid to employees should be reasonable, based on a measurable performance metric (e.g., cost reduction, efficient performance, suggestion awards, safety awards), and in accordance with Subrecipient's established policy or agreement with employees. Subrecipient must maintain documentation to support any incentive compensation payments to employees.

Any bonuses, gifts, or other payments provided to employees that are solely intended to improve employee morale will be disallowed upon audit, unless expressly allowed by the Subaward and/or the applicable funding source(s).

4.4 Limitations on Positions and Salaries

Subrecipient should not pay any salaries which are higher than those authorized in this Subaward, or the Exhibits thereto, including this Exhibit Q. For purposes of establishing a reasonable level of compensation for Subrecipient's employees, County may refer to the applicable Child Welfare League of America (CWLA) Salary Study.

The salary expense of salaried employees working on more than one (1) subaward, program or activity must be equitably allocated to each program based on the ratio of the number of hours worked on each program during the pay period to the total number hours worked during the pay period. If an employee serves in the same or dual capacities under more than one subaward or program, time charged to the subawards or programs taken as a whole may not exceed 100% of the employee's actual time worked.

Salaried employees should be paid a salary that corresponds with the employee's work schedule. For example, a ½-time salaried employee performing the same or similar work should be paid proportionately less than a full-time salaried employee.

4.5 Retroactive Payroll Adjustments and Payments

Subrecipient must not charge County for any retroactive adjustments to an employee's authorized hourly/salary rate or benefits that result in additional compensation to an individual or group of employees without prior written approval from County's Contract Manager.

Retroactive payments to employees to correct underpayment errors may be charged to the County provided that adequate documentation is maintained to support an employee was underpaid in a prior pay period and the retroactive payment is necessary.

4.6 Separation of Duties Over Payroll and Personnel

Payroll checks should be distributed by persons not involved in timekeeping (e.g., preparing/recording, approving, processing, and reporting of payroll transactions), preparing of payroll transaction, or reconciling bank accounts.

All employee hires, terminations or pay rate changes shall be approved in writing by authorized persons independent of payroll responsibilities.

4.7 Security Over Payroll and Personnel Records

Adequate security must be maintained over payroll and personnel records with access restricted to authorized individuals. Any automated payroll and personnel records which contain confidential information, such as, but not limited to, employee addresses and medical information, must be adequately safeguarded using the information security and privacy standards discussed in Section A.3.6 to prevent unauthorized access and use.

5.0 Information Technology

Information technology (IT) controls are necessary to protect the security, integrity, and availability of County non-public information, Protected Health Information (PHI), IT resources (e.g., systems and networks, accounting management software/applications, electronic time reporting systems), and data (e.g., electronically stored information, records, or documentation).

5.1 Information Technology Controls

It is the Subrecipient's sole obligation to design and implement appropriate and reasonable IT controls to, at a minimum:

- Secure and protect its IT resources and data against internal/external threats and risks.
- Help ensure the accuracy and integrity of Subrecipient's electronic records and data is not compromised.

- Ensure adequate safety mechanisms (e.g., unique log-on identifications, computer access codes, account codes, passwords, multi-factor authentication tokens, transaction approval/authorization controls) are in place to limit user (e.g., employees, subcontractors, contractors/consultants) access privileges to protect County non-public information, PHI, IT resources, and data related to this Subaward from unauthorized or unlawful access, use, disclosure, alteration or destruction.
 - Users must only receive access to non-public information that is necessary to perform their assigned job duties, and must not be given an access authorization level that is higher than needed.
 - Subrecipient must review, and update, if necessary, user access rights/permissions at least annually, or when a user's job assignment and/or responsibilities change, to ensure access capabilities are consistent with the user's job duties. In addition, guest user access and inactive users, including terminated employees, contractors/consultants, and other unnecessary access should be reviewed and removed or disabled timely.
- Ensure adequate and ongoing IT and cyber security awareness training is provided to applicable Subrecipient employees.
- Capture sufficient audit trail information to identify the individual user(s) who performed key components (e.g., entry, approval) of critical or high risk (e.g., disbursement, payroll) transactions.
- Ensure all data/transactions entered into an information system are processed completely and accurately, duplicate transactions are prevented and/or detected timely, inputs and modifications to data are authorized, and all data is protected from improper or unauthorized deletion and alteration. For example, procedures for reviewing and approving source documents for reasonableness and proper authorization prior to entering information should be established, when applicable.
- Ensure any output (e.g., paper printouts, digital information, electronic records) containing non-public information or regulated data and transactions is adequately protected and clear individual accountability is maintained, when applicable.

5.2 Information Technology Security Management

Subrecipient must establish and implement IT policies and procedures that align with the applicable IT standards described in this Exhibit Q, County Board Policy 5.200, and any other applicable federal, State, and county requirements. A good IT policy should address, at a minimum, such issues as:

- Security management
- Security awareness training
- Security and privacy violations/breaches, incident reporting, and response protocols
- Cyber security (e.g., encryption, malware/ransomware protection, vulnerability testing and monitoring)
- Separation of duties

- User access (including remote access) to system(s) data
- Authorization of transactions
- Exception/error resolution
- Back-up recovery and restart protocols (e.g., disaster recovery and business contingency planning)
- Change controls (e.g., for maintenance, enhancements, or modifications to application systems, networks, and software), if applicable

Subrecipient must also ensure their IT policies are periodically reviewed and updated/modified when changes are necessary (e.g., to implement new systems or changes in procedures, adopt new security protocols, address new risks or circumstances).

To the extent Subrecipient exchanges or shares information with other authorized external parties (e.g., third-party vendors/providers, lower tier subrecipients/subcontractors, contractors/consultants), Subrecipient must also establish policies and procedures to ensure the security, reliability, and integrity of such information.

Any applicable security incidents (e.g., loss of County non-public information, breach of confidentiality, non-permitted use or disclosure of PHI) must be reported in accordance with the standards described in this Exhibit Q, and any other applicable federal, State, and County requirement in this Subaward).

5.3 Separation of Duties Over Systems

Subrecipient must ensure sufficient checks and balances exist, and adequate separation of duties are maintained over IT systems to help minimize the risk of fraudulent activity and user error, and ensure transactions (e.g., accounting, payroll, time reporting, disbursements) are properly initiated approved, processed, reported, and reconciled.

Work should be divided among two or more employees so that one employee does not have control over multiple key aspects of an IT system, and the functions performed by one employee may be checked by functions performed by other employees. For example, employees who have access to add or change vendor information (e.g., vendor and contact names, addresses, phone numbers) must not have access to process invoices.

6.0 Electronic Signatures

Electronic signatures (e-Signatures) may be used to represent an individual's acknowledgment, acceptance, or approval of an agreement, transaction, report, record, or form, unless otherwise prohibited by the Subaward and/or applicable funding source(s). Various types of e-Signatures exist. The most secure forms of e-Signatures will provide a digital audit trail that confirms when a document was signed, provides assurance that the individual claiming to be the signor is the signor through effective authentication methods (e.g., unique log-on identifications, account codes, passwords), and can safeguard documents from being altered after they have been signed. When determining which type of e-Signature to use, Subrecipient should consider the associated risks and level of assurance needed for the signature or document, and any other applicable federal, State, and County requirements in this Subaward.

7.0 **Lower Tier Subawards**

Subrecipient must not subcontract services without the prior written consent of the County. Payments for subcontracted services without the prior written consent of the County may be disallowed upon audit.

Subrecipient must provide County with copies of all executed Lower Tier Subawards and must be responsible for the performance of their Lower Tier Subrecipients. Subrecipient may submit an electronic copy of executed Lower Tier Subawards in preference to a hardcopy, unless original signed subcontracts are required by the Subaward or the applicable funding source(s).

7.1 **Subcontractor Monitoring**

Subrecipient must monitor the activities of their Lower Tier Subrecipients as necessary, but no less than annually, to ensure governmental monies are used for their intended purposes, compliance with applicable federal, State, and County requirements, and performance goals are achieved. For example, the monitoring must include, but not be limited to:

- Performing reviews of the lower tier subrecipient's fiscal and program operations (e.g., verifying expenditures charged to the subaward are adequately supported, allowable, and appropriately allocated; verifying internal controls are maintained as required; and verifying subcontracted services are meeting required performance standards).
- Performing reviews of required financial and performance reports.
- Verifying all subcontractors are audited as required.
- Following-up and ensuring appropriate corrective action is taken on all deficiencies pertaining to the lower tier subaward.

C. **COST PRINCIPLES**

1.0 **Purpose of Program Funds**

It is the intent of County to provide funds to Subrecipient for the purpose of providing Services required by this Subaward. Subrecipient shall use these Subaward Sums on actual expenses in an economical and efficient manner and shall ensure that these expenditures are reasonable, proper, and necessary costs of providing Services and are allowable in accordance with the following Administrative requirements, procurement standards, and cost principles (Administrative Requirements):

- Area Agency on Aging (AAA) Programs:
 - Title 2 Code of Federal Regulations Part 200 et seq. and
 - Title 45 Code of Federal Regulations Part 75 et seq.
- All Other Programs:
 - Title 2 Code of Federal Regulations Part 200 et seq.

Subrecipient is responsible for obtaining the Administrative Requirements noted above, which are available on-line as follows:

- [Title 2 Code of Federal Regulations Part 200 et seq.](#)
- [Title 45 Code of Federal Regulations Part 75 et seq.](#)

1.1 **Limitations on Expenditures of Subaward Sums**

Subrecipient shall comply with all limitations and requirements for County Program expenditures in this Subaward and Administrative Requirements.

If Subrecipient is unsure of the allowability of any particular type of cost or individual cost, Subrecipient should request advance written approval from County's Program Manager and/or applicable funding source(s) prior to incurring the cost. Any conflict or inconsistency between or among the requirements outlined within this Subaward, Exhibit A (Statement of Work), this Exhibit Q, and Administrative Requirements must be resolved by giving precedence as follows:

- Administrative Requirements
- Subaward
- Exhibit A (Statement of Work and Attachments)
- Exhibit Q (Accounting, Administration and Reporting Requirements)

1.2 **Limitations on Payments to Affiliated Organizations or Persons (i.e., Related Party/Less-Than-Arm's-Length Transactions)**

For purposes of this Subaward, County must be solely responsible for determining affiliation unless otherwise allowed and approved by federal, State, or County agencies. Organizations or persons will be considered affiliated when one party is able to control or substantially influence the actions of the other. Affiliation includes, but is not limited to, a relationship between the Subrecipient and:

- An organization related through legal organization (i.e., corporation, partnership, parent company, subsidiary organization, association).
- An organization under common control through its common officers, directors, or members.
- A director, trustee, officer, or key employee, or an individual related by blood, marriage, or affinity, either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest.

Prior to making payments to affiliated organizations or persons (i.e., related party/less-than-arm's-length transactions), Subrecipient must complete and submit to the County a disclosure statement identifying the nature of the relationship with the affiliated or related organizations/persons.

Subrecipient must not make payments to affiliated organizations or persons for program expenditures (e.g., salaries, services, rent) that exceed the lesser of actual costs of the affiliated or related organizations/persons or the reasonable costs for services rendered and/or items purchased. A reasonable cost is the price that would be paid by one party to another when the parties are dealing at arm's length (fair market price).

Payments to affiliated organizations or persons will be disallowed upon audit to the extent the payments exceed the lesser of actual costs of the affiliated or related organizations/persons or the reasonable costs (fair market value) for services rendered or items purchased.

1.3 **Unallowable Expenditures**

The allowability of a variety of different costs are addressed in the following:

- AAA Program: Title 2 Code of Federal Regulations Part 200.421 et seq. and Title 45 Code of Federal Regulations Part 75.421 et seq.
- All Other Programs: Title 2 Code of Federal Regulations Part 200.421 et seq.

For all costs, there are certain restrictions and limitations; however, the following costs are not allowable under any circumstances:

- Bad debts
- Bonuses, gifts, and other expenditures solely intended to improve employee morale
- Contingency provisions (exceptions may include self-insurance, pension funds and reserves for normal severance pay)
- Contributions and donations rendered
- Entertainment, social activities, alcoholic beverages and other similar expenditures (unless there is a programmatic purpose)
- Fines and penalties (e.g., Non-sufficient Funds Check Fees, Traffic Citation Fees)
- Lobbying and fundraising activities
- Interest
- Losses on other awards
- Capital expenditures
- Advertising and public relations

Additionally, Subrecipient must not use Subaward Sums to repay disallowed costs.

1.4 **Budget Limitation**

Expenses may not exceed the maximum limits shown on the Budget(s).

1.5 **Expenses Incurred Outside the Subaward Period**

Expenses charged against Subaward Sums may not be incurred prior to the effective date of this Subaward, or subsequent to this Subaward's expiration or termination date. Similarly, current period expenses related to events or activities that occurred prior to the effective date of the Subaward may not be allowable. For example, legal costs incurred while prosecuting or defending a lawsuit stemming from events which occurred during a period not covered by a valid Subaward between Subrecipient and County are not allowable. Expenses charged against Subaward Sums during any Fiscal Year period may not be incurred outside of that Fiscal Year period.

1.6 **Unallowable Activities**

County program funds, materials, property, or services must not be used for investments where there is a risk of loss or for the performance of any political activity, the election of any candidate, or the defeat of any candidate for public office.

1.7 Unspent Program Funds

Subrecipient must return any unspent Subaward Sums to County unless otherwise permitted by this Subaward. In addition, County will determine the disposition of unspent Subaward Sums upon expiration or termination of this Subaward and at the end of each Fiscal Year period.

2.0 Allocable Expenses

When Subrecipient provides services in addition to the Services required under this Subaward, Subrecipient must allocate expenditures that benefit programs, activities (including unallowable activities, such as fundraising and investment activities), and funding sources on an equitable basis.

In accordance with Administrative Requirements, Subrecipient shall define its allocable expenses as either direct or indirect costs (as defined in Sub-sections C.1.9 (Direct Costs) and C.2.0 (Indirect Costs) below) and shall allocate each cost using the basis that is most appropriate and feasible.

Subrecipient must maintain documentation of allocated expenses (e.g., timecards, time studies, square footage measurements, number of employees, etc.).

Under no circumstances can allocated expenses be charged to an extent greater than 100% of actual expenses or the same expense be charged both directly and indirectly.

2.1 Direct Costs

Unless otherwise set forth in this Subaward, or required by the applicable funding source(s), direct costs are defined as those costs that can be identified specifically with a particular final cost objective (i.e., a particular program, service, or other direct activity of Subrecipient's organization). Examples of direct costs include salaries and benefits of employees working on the Program, supplies and other items purchased specifically for the Program, costs related to space used by employees working on the Program, etc.

For all employees, other than those employed in general or administrative positions, the hours spent on each program (activity) should be recorded on the employees' timecards and the payroll expenses should be treated as direct charges and distributed based on recorded hours spent on each program or using another equitable basis based on actual conditions.

Shared costs (i.e., costs that benefit more than one (1) program or activity) that can be distributed in reasonable proportion to the benefits received may also be direct costs.

Examples of bases for allocating shared costs as direct costs:

- Number of direct hours spent on each program
- Full-time equivalents for each program
- Square footage occupied by each program
- Other relevant and equitable methods of allocation

2.2 Indirect Costs

Indirect costs are those costs that have been incurred for common or joint purposes and cannot be readily identified with a particular final cost objective. Examples of indirect costs include salaries and benefits of executive officers and administrative personnel (e.g., accounting, human resources, information technology), depreciation and use allowances for administrative buildings, and other costs related to the general administration of the organization. Only expenditures that are allowable in accordance with the applicable sections of Uniform Guidance and any other applicable funding source(s) (i.e., federal, State and County agencies) can be included as indirect costs and allocated to County program(s).

Examples of bases for allocating indirect costs:

- Total direct salaries and wages.
- Total direct costs, excluding unallowable costs that do not represent an activity of Subrecipient (e.g., fines, penalties, bad debts), capital expenditures, and other distorting items such as significant one-time expenditures, or Lower Tier Subrecipient payments.
- Modified total direct costs, including all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the applicable threshold (e.g., \$25,000 (prior to October 1, 2024), \$50,000) of each subaward (regardless of the period of performance of the subawards under the award). It excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of the applicable threshold (e.g., \$25,000 (prior to October 1, 2024), \$50,000) as required by [Uniform Guidance](#).

2.3 Acceptable Indirect Cost Allocation Methods

Administrative Requirements describe the following allowable methods for allocating indirect costs:

- Simplified allocation method
- Direct allocation method
- Multiple allocation base method
- Negotiated indirect cost rate
- De minimis rate

Subrecipient must ensure the indirect cost allocation methodology chosen is clearly described in their Cost Allocation Plan and is used consistently to allocate indirect costs. See Exhibit A for examples of how to allocate indirect costs using these methods.

Simplified Allocation Method

This method can be used when Subrecipient's major functions benefit from its indirect costs to approximately the same degree. Using this method, all allocable costs are considered indirect costs, and an indirect cost rate is determined by dividing total allowable indirect costs by an equitable distribution base (see Exhibit A.1 for example).

Direct Allocation Method

This method can also be used when Subrecipient's major functions benefit from its indirect costs to approximately the same degree. Using this method, all costs except general administration and general expenses are treated as direct costs. Joint costs for rentals, facilities maintenance, telephone, and other similar expenses are prorated individually to each direct activity on a basis appropriate for that type of cost.

The remaining costs, which consist exclusively of general administration and general expenses, are then allocated using the simplified allocation method previously discussed (see Exhibit A.2 for example).

Multiple Base Allocation Method

This method can be used when Subrecipient's major functions benefit from its indirect costs in varying degrees. Using this method, indirect costs are grouped to permit allocation of each grouping based on the benefits provided to the major functions. Each grouping is then allocated individually using the basis most appropriate for the grouping being allocated (see Exhibit A.3 for example).

Negotiated Indirect Cost Rates

Subrecipient has the option of negotiating an indirect cost rate or rates for use on all its Federal programs. Subrecipient must submit a Cost Allocation Plan to the Federal agency providing the majority of funds to Subrecipient's organization. The approved indirect cost rate is then applied to the total approved direct cost base (see Exhibit A.4 for example).

When Subrecipient has an approved indirect cost rate accepted by all Federal awarding agencies, Subrecipient shall submit a copy of the approval letter to County's Compliance Manager upon request.

De Minimis Rate

Subrecipient that does not have a current negotiated (including provisional) federally approved indirect cost rate may elect to charge indirect costs based on the applicable de minimis rate (e.g., 10% (prior to October 1, 2024), up to 15% of modified total indirect costs. If elected, this rate may be used indefinitely, but must be used consistently to charge indirect costs to all programs and activities (see Exhibit A.5 for example).

2.4 Indirect Cost Limitations

Subrecipient must ensure indirect costs charged to the County program(s) are within any maximum limitations established by statutory requirements. Any amounts charged in excess of maximum limitations will be disallowed upon audit unless otherwise allowed and approved by the applicable federal, State, or County agency.

2.5 Cost Allocation Plan

Subrecipient must submit an annual Agency-wide Cost Allocation Plan (Plan), and submit the Plan to the County if required by the Subaward and when requested by County. The Cost Allocation Plan must be prepared in accordance with the applicable sections of the Administrative Requirements, and any other applicable federal, State, and County requirements (e.g., Subaward, County instructions) and include the following information:

1. Subrecipient general accounting policies:
 - Fiscal year
 - Method for allocating indirect costs (e.g., simplified, direct, multiple, negotiated rate, de minimis rate)
 - Indirect cost rate allocation base (e.g., direct salaries and wages, direct costs).
2. Identify Subrecipient's direct, shared, and indirect costs (by category) and describe the cost allocation methodology for each category.
3. Signature of Subrecipient management certifying the accuracy of the plan.

D. REPORTING FRAUD, ABUSE, MISCONDUCT OR NON-COMPLIANCE

1.0 Subrecipient must report suspected fraud (including welfare fraud), abuse, waste, or misuse of public monies, and misconduct of County personnel to the Los Angeles County Fraud Hotline. Subrecipient must also report suspected fraud, abuse, waste, or misuse of public monies, and misconduct committed by its employees, volunteers, and any Lower Tier Subrecipients when that fraud affects its Subaward with County. Reportable conditions of fraud include, but are not limited to:

- Requests for bribes/kickbacks/gratuities
- Favoritism/nepotism in the awarding of County Agreements, selection of vendors or hiring of Subrecipient's employees
- Embezzlement, theft or misuse of any County funds, resources, time, equipment, or information
- Subrecipient or vendor improprieties (e.g., inappropriate or unethical actions/behaviors such as unfair business practices, disregard for laws, abuse of power, corruptions, etc.)
- Falsification of records
- Violation of conflict of interest requirements; etc.

2.0 Failure to report the types of fraud/misconduct discussed above may be grounds for termination of this Subaward as solely determined by County.

3.0 Reports can be made anonymously to the Los Angeles County Department of Auditor-Controller, Office of County Investigations as follows:

Online:	https://fraud.lacounty.gov/
E-Mail Address:	fraud@auditor.lacounty.gov
Fraud Hotline:	(800) 544-6861 or (213) 893-7283
Fax:	(213) 947-5809

Mail: County of Los Angeles
 Department of Auditor-Controller
 Office of County Investigations
 500 W. Temple St., Suite 514
 Los Angeles, CA 90012

4.0 User Complaint Report

4.1 County's staff shall complete the User Complaint Report (UCR) to report Subrecipient's non-compliance with the requirements of this Subaward. Areas of Subrecipient's non-compliance include, but are not limited to, the following:

- Subrecipient's Project Manager or other staff not responding to messages/requests from County staff.
- Subrecipient's Project Manager or other staff does not attend trainings/meetings required by County.
- Subrecipient staff changes without prior notification to County.
- Illegal or inappropriate behavior by Subrecipient's staff.
- Subrecipient not submitting reports/documents or maintaining records as required.
- Subrecipient not complying with the quality assurance requirements as specified in this Subaward.

4.2 County's Compliance Manager must maintain the UCR, and it will be used to evaluate Subrecipient's performance of the requirements of this Subaward in addition to being used as the basis for placing Subrecipient on probation, suspending payment, suspending this Subaward, terminating this Subaward or any other remedies that are available in this Subaward. The UCR may also be used during County's solicitation process to evaluate Subrecipient's past performance on this Subaward in addition to being used when Subrecipient requests a reference from County for purposes of applying for other grants.

Exhibit A**Indirect Cost Allocation Methods Examples****A.1 - Simplified Allocation Method Example**

ABC, Inc. operates two programs, uses direct salaries as their distribution base for indirect costs, and reported the following costs:

Agency-wide Indirect Costs	\$250,000
Program A Direct Salaries	\$100,000
Program B Direct Salaries	\$900,000

Step 1: Classify all costs as either direct or indirect (as indicated above).

Step 2: Calculate the indirect cost rate by dividing the total indirect costs by total direct salaries.

Indirect Costs	\$250,000	
Total Direct Salaries	\$1,000,000	= \$100,000 + \$900,000
Indirect Cost Rate	25%	= <u>\$250,000</u>
		\$1,000,000

Step 3: Allocate indirect costs to each program by multiplying the indirect cost rate by the direct salaries for each respective program.

Indirect Costs Allocated to Program A	\$25,000	= \$100,000 x 25%
Indirect Costs Allocated to Program B	\$225,000	= \$900,000 x 25%

A.2 - Direct Allocation Method Example

ABC, Inc. operates two programs and conducts fundraising activities. The Agency uses square footage as their distribution base for shared facility rent and maintenance costs and direct costs as their distribution base for indirect costs. ABC, Inc. reported the following costs:

General Administration and General Expenses (Indirect Costs)	\$250,000
Shared Costs: Facility Rent and Maintenance	\$150,000
Program A Direct Costs	\$100,000
Program B Direct Costs	\$850,000
Fundraising Direct Costs	\$50,000

Step 1: Separate costs into three basic categories:

- General Administration and General Expenses (Indirect Costs)
- Direct Programs and Activities
- Fundraising

Step 2: Calculate the percentage of square footage occupied by each program and activity. ABC, Inc.'s facilities have a total of 4,000 square feet and the Agency determined Program A occupies 2,800 square feet, Program B occupies 1,000 square feet, and fundraising activities occupies 200 square feet, respectively.

Program A Square Footage	2,800	70%
Program B Square Footage	1,000	25%
Fundraising Square Footage	200	5%
Total Square Footage	4,000	100%

Step 3: Allocate the shared facility rent and maintenance costs based on the percentage of square footage used by each program and activity.

Shared Costs: Facility Rent and Maintenance	\$150,000
Shared Costs Allocable to Program A	\$105,000 = \$150,000 x 70%
Shared Costs Allocable to Program B	\$37,500 = \$150,000 x 25%
Shared Costs Allocable to Fundraising	\$7,500 = \$150,000 x 5%

Step 4: Calculate the total direct costs for each program and activity by adding the direct costs to the shared costs allocated to each respective program.

Program A Direct Costs	\$100,000
+ Program A Shared Costs	\$105,000
Total Program A Direct Costs	\$205,000
Program B Direct Costs	\$850,000
+ Program B Shared Costs	\$37,500
Total Program B Direct Costs	\$887,500
Fundraising Direct Costs	\$50,000
+ Fundraising Shared Costs	\$7,500
Total Fundraising Direct Costs	\$57,500

Step 5: Calculate the indirect cost rate by dividing the total indirect costs by total direct costs.

Total Indirect Costs	\$250,000
Total Direct Costs	\$1,150,000 = \$205,000 + \$887,500 + \$57,500
Indirect Cost Rate	21.74% = $\frac{\$250,000}{\$1,150,000}$

Step 6: Allocate indirect costs to each program and activity by multiplying the indirect cost rate by the total direct costs for each respective program and activity.

Indirect Costs Allocable to Program A	\$44,565	= \$205,000 x 21.74%
Indirect Costs Allocable to Program B	\$192,935	= \$887,500 x 21.74%
Indirect Costs Allocable to Fundraising	\$12,500	= \$57,500 x 21.74%

A.3 - Multiple Allocation Base Method Example

ABC, Inc. operates two programs and conducts fundraising activities. The Agency uses square footage as their distribution base for indirect facilities costs and modified total costs⁽¹⁾ as their distribution base for indirect administration costs. ABC, Inc. reported the following costs:

⁽¹⁾ *Modified total costs (MTC) are the modified total direct costs (MTDC) plus allocated indirect costs. MTDC includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 (effective October 1, 2024) of each subaward (regardless of the period of performance of the subawards under the award). It excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$50,000 (effective October 1, 2024).*

Indirect Depreciation	\$100,000
Indirect Interest	\$150,000
Indirect Operation and Maintenance Expenses	\$550,000
Indirect General Administration	\$700,000
Indirect General Expenses	\$500,000
Program A Modified Total Direct Costs	\$7,250,000
Program B Modified Total Direct Costs	\$1,500,000
Fundraising Modified Total Direct Costs	\$250,000

Step 1: Establish separate indirect cost groupings based on the benefits provided to the programs and activities. The cost groupings are classified within two broad categories, "Facilities" and "Administration", and should include the following indirect cost pools:

Facilities

- Depreciation
- Interest
- Operation and Maintenance Expenses

Administration

- General Administration and General Expenses

Indirect Facilities Costs

Indirect Depreciation	\$100,000
Indirect Interest	\$150,000
Indirect Operation and Maintenance Expenses	\$550,000
Total Indirect Facilities Costs	\$800,000

Indirect Administration Costs

Indirect General Administration	\$700,000
Indirect General Expenses	\$500,000
Total Indirect Administration Costs	\$1,200,000

Step 2: Calculate the percentage of square footage occupied by each program and activity. ABC, Inc.'s facilities have a total of 10,000 square feet and the Agency determined Program A occupies 5,000 square feet, Program B occupies 2,000 square feet, fundraising activities occupies 500 square feet, and administration occupies 2,500 square feet, respectively.

Program A Square Footage	5,000	50%
Program B Square Footage	2,000	20%
Fundraising Square Footage	500	5%
Administration Square Footage	2,500	25%
Total Square Footage	10,000	100%

Step 3: Allocate "Facilities" costs to all benefiting programs and activities based on the percentage of square footage used by each program and activity.

Indirect Facilities Costs Allocated to Program A	\$400,000	= \$800,000 x 50%
Indirect Facilities Costs Allocated to Program B	\$160,000	= \$800,000 x 20%
Indirect Facilities Costs Allocated to Fundraising	\$40,000	= \$800,000 x 5%
Indirect Facilities Costs Allocated to Administration	\$200,000	= \$800,000 x 25%

Step 4: Calculate the modified total costs for each program and activity to allocate indirect administration costs by adding the MTDC to the allocated indirect costs calculated above.

Program A - MTDC	\$7,250,000
+ Indirect Facilities Costs Allocated to Program A	\$400,000
Program A - MTC	\$7,650,000
Program B - MTDC	\$1,500,000
+ Indirect Facilities Costs Allocated to Program B	\$160,000
Program B - MTC	\$1,660,000
Fundraising - MTDC	\$250,000
+ Indirect Facilities Costs Allocated to Fundraising	\$40,000
Fundraising - MTC	\$290,000
Program A - MTC	\$7,650,000
Program B - MTC	\$1,660,000
Fundraising - MTC	\$290,000
Total MTC	\$9,600,000

Program A - MTC	\$7,650,000
Program B - MTC	\$1,660,000
Fundraising - MTC	\$290,000
Total MTC	\$9,600,000

Step 5: Calculate the total indirect administration costs.

Indirect Administration Costs	\$1,200,000
+ Indirect Facilities Costs Allocated to Administration	\$200,000
Total Indirect Administration Costs	\$1,400,000

Step 6: Calculate the indirect cost rate by dividing the total administration costs by the total modified costs.

Total Administration Costs	\$1,400,000
÷ Total MTC	\$9,600,000
Indirect Cost Rate	14.58%

Step 7: Allocate "Administration" costs to all benefiting programs and activities based on modified total costs.

Indirect Administration Costs Allocated to Program A	\$1,115,625	= \$7,650,000 x 14.58%
Indirect Administration Costs Allocated to Program B	\$242,083	= \$1,660,000 x 14.58%
Indirect Administration Costs Allocated to Fundraising	\$42,292	= \$290,000 x 14.58%

A.4 - Negotiated Indirect Cost Rate Example

ABC, Inc. operates two programs and has a negotiated indirect cost rate. The negotiated indirect cost rate agreement indicates the Agency's indirect cost rate is 15% and the distribution base is total direct costs excluding capital expenditures and equipment. ABC, Inc. reported the following costs:

	Program A	Program B
Salaries	\$ 2,000,000	\$ 1,250,000
Benefits	\$ 1,100,000	\$ 400,000
Capital Expenditures	\$ -	\$ 200,000
Equipment	\$ 60,000	\$ 15,000
Travel	\$ 40,000	\$ 25,000
Materials and Supplies	\$ 60,000	\$ 35,000
Total Direct Costs	\$ 3,260,000	\$ 1,925,000

Step 1: Calculate the direct costs distribution base for each program as required by the negotiated indirect cost rate agreement.

	Program A	Program B
Salaries	\$ 2,000,000	\$ 1,250,000
Benefits	\$ 1,100,000	\$ 400,000
Travel	\$ 40,000	\$ 25,000
Materials and Supplies	\$ 60,000	\$ 35,000
Direct Costs Base ⁽¹⁾	\$ 3,200,000	\$ 1,710,000

⁽¹⁾ Direct cost base does not include capital expenditures and equipment.

Step 2: Calculate the indirect costs charged to each program by multiplying the direct costs base for each respective program by the negotiated indirect cost rate.

	Program A	Program B
Direct Cost Base	\$ 3,200,000	\$ 1,710,000
x Indirect Cost Rate	15%	15%
Indirect Costs Charged	\$ 480,000	\$ 256,500

A.5 - De Minimis Rate Example

ABC, Inc. operates two programs and reported the following direct costs:

	Program A	Program B
Salaries	\$ 750,000	\$ 100,000
Benefits	\$ 250,000	\$ 20,000
Equipment	\$ 50,000	\$ 5,500
Travel	\$ 20,000	\$ 7,000
Materials and Supplies	\$ 40,000	\$ 4,000
Rent	\$ 60,000	\$ 12,000
Total Direct Costs	\$ 1,170,000	\$ 148,500

Step 1: Calculate the modified total direct costs (MTDC)⁽¹⁾ for each program.

⁽¹⁾ MTDC includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 (effective October 1, 2024) of each subaward (regardless of the period of performance of the subawards under the award). It excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$50,000 (effective October 1, 2024).

	Program A	Program B
Salaries	\$ 750,000	\$ 100,000
Benefits	\$ 250,000	\$ 20,000
Travel	\$ 20,000	\$ 7,000
Materials and Supplies	\$ 40,000	\$ 4,000
MTDC⁽¹⁾	\$ 1,060,000	\$ 131,000

⁽¹⁾ MTDC does not include the costs of equipment and rent.

Step 2: Calculate the indirect costs charged to each program by multiplying the MTDC for each respective program by the 15% de minimis rate (effective October 1, 2024)

	Program A	Program B
MTDC	\$ 1,060,000	\$ 131,000
x De Minimis Rate	15%	15%
Indirect Costs Charged	\$ 159,000	\$ 19,650

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GET IN TOUCH

510 S. Vermont Avenue, Suite 1100
Los Angeles, CA 90020
ad.lacounty.gov
info@ad.lacounty.gov

Aging & Adult Information & Assistance Line:

(800) 510-2020

Report Elder Abuse:

(877) 477-3646

Community & Senior Centers:

(800) 689-8514

Disability Information &

Access Line:

(888) 677-1199

REVISED 11/13/2025

October 16, 2025

City of Pomona
Attention: Anita Scott
505 S. Garey Avenue
Pomona, CA 91766

**FISCAL YEAR 2025-26 NUTRITION SERVICES INCENTIVE
PROGRAM (NSIP) FUNDING ALLOCATION FOR
ELDERLY NUTRITION PROGRAM SERVICES**

Dear Ms. Scott:

County of Los Angeles Aging and Disabilities Department (County) intends to amend City of Pomona's (Subrecipient's) Elderly Nutrition Program (ENP) Subaward. The Subaward Amendment information is outlined below

- Purpose: Subrecipient will utilize Nutrition Services Incentive Program (NSIP) funding to supplement the cost of food used for Congregate Meals during Fiscal Year (FY) 2025-26.
- Subaward Number: ENP252607
- Amendment Number: One
- Subaward Term: July 1, 2025 through June 30, 2026
- Total Funding Allocation: \$35,790
- Period Funds are available for use (Subject to execution of Subaward): July 1, 2025 – June 30, 2026
- Service Area: Supervisorial District 1
- Funding Source(s) and Service Category(ies) are as follows:



Funding Source	Service Category	Unit Rate	Allocation Amount
NSIP	Congregate Meals	\$0.71 \$1.00	\$35,790 ¹
Total NSIP Funding			\$35,790
Original Baseline and MOCA Funding (Refer to FY 2025-26 Original Baseline and MOCA Funding Allocation Letter)			\$462,500
Subaward Sum Year 1 (SSY1) (NSIP, Original Baseline and MOCA Funding)			\$498,290

¹ Complete one (1) budget and one (1) MPS for the allocation amount.

If you have any questions, please contact Lynn Tran of my staff by phone or e-mail as follows:
(323) 513-4214 or ltran@ad.lacounty.gov.

Thank you.

Irma Panosian

Irma Panosian, Administrative Services Manager III
Administrative Services Branch