



Consent. 8

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

June 15, 1981

CITY MANAGER'S OFFICE  
**RECEIVED**  
JUN 17 1981

Housing Authority of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Approval of Grant from State Department of Education  
for the Operation of Child Care Facilities at River  
Oaks Housing Development

### SUMMARY

The attached resolution authorizes the Executive Director to execute a contract with the State Department of Education for a grant of \$107,937.60 for the operation of a child care center at the River Oaks Housing Development.

### BACKGROUND

In 1975 the Housing Authority of the City of Sacramento was authorized to enter into a contract with the State Department of Education to operate a child care center at the River Oaks Housing Development. Subsequently, each year these funds are provided for the Center's operation. Approximately fifty children are cared for at the River Oaks Facility.

In order to comply with State requirements, a resolution similar to the attached must be adopted by the Agency's governing body. This document which is attached will become part of the Agency's contract with the State.

### FINANCIAL DATA

A total grant of \$204,434 has been awarded to the Housing Authorities of both the City and the County of Sacramento for child care facility operation. Of that total, \$107,937.60 is the anticipated amount for the operation of the facility at the River Oaks Housing Development. A copy of the budget for the Child Care Center for 1981-82 is attached for your review. No additional staff is required.

**APPROVED**  
SACRAMENTO HOUSING AUTHORITY

Date 6/23/81

6-23-81  
D-4

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority of the  
City of Sacramento  
June 15, 1981  
Page Two

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting on June 15, 1981, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The vote was as follows:

AYES: Knepprath, Luevano, A. Miller, Serna, Teramoto,  
B. Miller  
NOES: None  
ABSTAIN: Walton  
ABSENT: None

## RECOMMENDATION

The staff recommends adoption of the attached resolution authorizing the Interim Executive Director to execute the contract with the Department of Education.

Respectfully submitted,

*William H. Edgar*

WILLIAM H. EDGAR  
Interim Executive Director

Transmittal to Council:

*Walter J. Slife*  
WALTER J. SLIFE  
City Manager

RESOLUTION NO. 81-055

Adopted by the Housing Authority of the City of Sacramento

June 23, 1981

AUTHORIZING EXECUTION OF CONTRACT WITH  
STATE DEPARTMENT OF EDUCATION FOR CHILD CARE  
GRANT AT RIVER OAKS HOUSING PROJECT

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY  
OF SACRAMENTO:

Section 1. The Interim Executive Director is author-  
ized to enter into a contract with the California State Depart-  
ment of Education to receive a grant of \$107,937.60 for the  
operation of child care facilities at the River Oaks Housing  
Project.

\_\_\_\_\_  
CHAIRMAN

ATTEST:

\_\_\_\_\_  
SECRETARY

APPROVED  
SACRAMENTO HOUSING AUTHORITY  
Date 6/23/81

This resolution must be adopted in order to certify the approval of the Governing Board to enter into this transaction with the State Department of Education for the purpose of providing child care and development services in Fiscal Year 1981-82.

Resolution

BE IT RESOLVED that the Governing Board of the Housing Authority of  
the City of Sacramento

authorizes entering into contract number CD- 3803 and that the person/s who is/are listed below, is/are authorized to sign the transaction for the Governing Board.

<u>NAME</u>	<u>TITLE</u>	<u>SIGNATURE</u>
<u>WILLIAM H. EDGAR</u>	<u>Interim Executive Director</u>	<u>William H. Edgar</u>
_____	_____	_____
_____	_____	_____

PASSED AND ADOPTED THIS 23rd day of June 1981, by the Governing Board of the Housing Authority of the City of Sacramento California.

I, LORRAINE MAGANA, Clerk of the Governing Board of THE HOUSING AUTHORITY of THE CITY OF SACRAMENTO California, certify that the foregoing is a full, true, and correct copy of a resolution adopted by the said Board at a regular meeting thereof held at regular public place of meeting and the resolution is on file in the office of said Board.

\_\_\_\_\_  
(Clerk's signature)

\_\_\_\_\_  
(Date)

**F.Y. 81/82**

AIE AGENCY  
 DEPT. OF GEN. SER.  
 CONTROLLER

THIS AGREEMENT, made and entered into this 1<sup>st</sup> day of July, 19 81,  
in the State of California, by and between State of California, through its duly elected or appointed,  
qualified and acting

Project Number: 34-05345-03255-2-01

TITLE OF OFFICER ACTING FOR STATE <b>Supt. of Public Instruction</b>	AGENCY <b>California State Department of Education</b>	NUMBER <b>CD-3803</b>
hereafter called the State, and <b>Sacramento Housing and Redevelopment</b>		<b>CENTER PROGRAM-PRIVATE</b>
hereafter called the Contractor.		

WITNESSETH: That the Contractor for and in consideration of the covenants, conditions, agreements, and stipulations of the State hereinafter expressed, does hereby agree to furnish to the State services and materials, as follows:

(Set forth service to be rendered by Contractor, amount to be paid Contractor, time for performance or completion, and attach plans and specifications, if any.)

**I. STATEMENT OF WORK:**

The Contractor agrees to provide child development services; and that all acts performed or services rendered or subcontracts entered into under this agreement shall be pursuant to and in accordance with: applicable federal and state laws and regulations; the guidelines and standards referenced in Exhibits A and B and program description, Exhibit C, which are attached hereto and by this reference incorporated herein.

**II. TERM OF CONTRACT:**

This agreement is effective July 1, 1981 through and including June 30, 1982.

**III. AVERAGE DAILY ENROLLMENT:**

73

**IV. MINIMUM DAYS OF OPERATION:**

241

**V. COST AND PAYMENT:**

A. The State agrees to reimburse the Contractor in an amount not to exceed \$ 204,434 for satisfactory provision of services performed under this agreement and in

The provisions on the reverse side hereof constitute a part of this agreement.

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto, upon the date first above written.

<b>STATE OF CALIFORNIA</b>	<b>CONTRACTOR</b>
AGENCY <b>State Department of Education</b>	CONTRACTOR (IF OTHER THAN AN INDIVIDUAL, STATE WHETHER A CORPORATION, PARTNERSHIP, ETC.) <b>Sacramento Housing and Redevelopment</b>
(AUTHORIZED SIGNATURE)	BY (AUTHORIZED SIGNATURE)
TITLE <b>William D. Whiteneck Deputy Superintendent for Administration</b>	TITLE
	ADDRESS

Department of General Services  
Use ONLY

AMOUNT ENCUMBERED <b>\$ (see above)</b>	APPROPRIATION <b>Child Development Programs</b>	FOUNT <b>General</b>
UNENCUMBERED BALANCE <b>\$</b>	ITEM	CHAPTER
ADJ. INCREASING ENCUMBRANCE <b>\$</b>	FUNCTION	
ADJ. DECREASING ENCUMBRANCE <b>\$</b>	LINE ITEM ALLOTMENT	
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.
SIGNATURE OF ACCOUNTING OFFICER		DATE
I hereby certify that all conditions for exemption set forth in State Administrative Manual Section 1209 have been complied with and this document is exempt from review by the Department of Finance.		
SIGNATURE OF OFFICER SIGNING ON BEHALF OF THE AGENCY		DATE

accordance with Exhibit C and the budget, Exhibit D, which is attached hereto and by this reference incorporated herein.

- B. The Contractor shall be reimbursed for actual and allowable costs at a rate not to exceed \$ 11.6202 per child per day of full-time enrollment determined in accordance with the Funding Terms and Conditions.
- C. Funding of this agreement is contingent upon appropriation and availability of resources.

## VI. STANDARD PROVISIONS FOR STATE CONTRACTS

- A. The Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, sub-contractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this contract.
- B. The Contractor, and the agents and employees of Contractor, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of State of California.
- C. The State may terminate this agreement and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. The cost to the State shall be deducted from any sum due the Contractor under this agreement, and the balance, if any, shall be paid the Contractor upon demand.
- D. Without the written consent of the State, this agreement is not assignable by Contractor either in whole or in part.
- E. Time is the essence of this agreement.
- F. No alteration or variation of the terms of this contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.
- G. The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided. Reimbursement for travel and per diem shall not exceed the rate set forth under State Board of Control rules.

## VII. STATE RESPONSIBILITIES

### A. The State hereby agrees:

1. To reimburse the Contractor in accordance with the Funding Terms and Conditions for Child Care and Development programs, CD-9113.
2. Topay from state and/or federal funds all reasonable and necessary costs of providing services, including rental and other operational expenses. The agreement does not provide for reimbursement of nonapproved capital outlay expenditures, out-of-state travel, or legal fees. Approval from the Department of Education for these items must be given in advance, and in writing.
3. To develop, formulate, establish, and distribute operating guidelines, program standards, procedures, and instructions for the conduct of Child Care and Development Services.
4. To provide professional consultation and assistance to contractors.
5. To institute licensure revocation proceedings in coordination with the Department of Social Services for failure to maintain licensing standards in accordance with all state laws, regulations, and standards.

B. The State may amend the contract when it becomes evident that the Contractor will not earn the amount of the contract.

C. The State may offset and recover any audit exceptions or over payments made in this or prior years by withholding funds payable under this agreement or any subsequent agreement between Contractor and State.

D. Contractor shall be notified in writing of changes in regulation, operating guidelines, standards, procedures or instructions prior to the effective date thereof. Contractor shall be notified of changes in law as soon as possible after enactment.

## VIII. CONTRACTOR RESPONSIBILITIES

### A. The Contractor hereby agrees:

1. To use forms prescribed or approved by the State.
2. To maintain records for program review, evaluation, and/or other purposes.
3. To maintain and make available reports and records to persons authorized by the State.
4. To determine the eligibility of families for child development services, and to assess and collect fees only in accordance with the fee schedule designed by the State for the current program year. (Not applicable to School-Age Parenting programs, Resource and Referral programs, and State preschool programs.)
5. To refrain from over-enrolling children or over-spending to a point where it jeopardizes the contractor's ability to perform the contract work.
6. To inform individuals of the right to fair hearings.



7. To submit an annual financial audit acceptable to the State prepared by an independent, public or certified public accountant on or before September 30 (or earlier if specified by the State) for the prior fiscal year. County superintendents and school district programs shall submit audit reports in accordance with State Department of Finance instructions according to Education Code Section 41020. All other programs shall submit audits completed in accordance with instructions provided by the State.
- B. For any transaction to which the Contractor is a party and the other party is: (a) an officer or employee of the Contractor or of an organization having financial interest in the Contractor; or (b) a partner or controlling stockholder of an organization having financial interest in the Contractor; or (c) a family member of a person having financial interest in the Contractor; then the following requirements must be met:
1. The transaction is fair and reasonable to the Contractor.
  2. Prior to consummating the transaction, the governing body authorized or approved the transaction in good faith by a vote of a majority of the directors then in office without counting the vote of any interested director or directors, and with knowledge of the material facts concerning the transaction and the financial interest in the transaction.
  3. Prior to authorizing or approving the transaction, the governing body considered and in good faith determined that the Contractor could not have obtained a more advantageous arrangement after reasonable investigation under the circumstances.
  4. Notwithstanding the above provisions, rental costs for land, buildings, equipment, and other personal property owned by affiliated organizations, officers, or other key personnel of the Contractor or their families are allowable only as use or depreciation allowance.
- C. The Contractor agrees that the State may recoup any payments for goods and services (including rental of facilities), which were made in this or any prior year when the Contractor was providing child development service for the State of California, which were not reasonable and necessary, or which exceeded the fair market value of such goods and services. The recoupment shall be limited to excess payments over and above reasonable or fair market amounts, and any costs of recoupment.
- D. All funds shall be deposited in interest bearing accounts. Under this agreement, interest accrued shall be repaid to the State or offset against earned reimbursement.

## IX Provisional Status

If Contractor defaults in the performance of any of the terms or conditions of this agreement, and in the opinion of the State, the default(s) can be corrected, the State shall notify the Contractor that within thirty (30) calendar days after receipt of written notice of such default(s) the Contractor shall either:

- (a) submit to the State proof of correction of such default(s);  
or
- (b) in extraordinary circumstances, submit a plan of correction of such default(s). The plan of correction shall include the method and time frame for correcting default(s). This plan, to be operative, must have the approval of the State prior to the expiration of the thirty (30) calendar days.

While operating under a plan of correction of default(s), the Contractor shall be on provisional status.

### A. Requirements of Provisional Status

Contractor shall submit to the State:

- 1. an inventory of all equipment purchased with State funds.
- 2. the names, addresses and telephone numbers of all families served, and, if the Contractor is purchasing services from child development providers, the names, addresses and telephone numbers of the providers.
- 3. monthly reports of attendance.

### B. If Contractor fails to

- 1. correct the default(s) within thirty (30) calendar days,
- 2. secure approval of a plan of correction within thirty (30) calendar days,
- 3. follow the approved plan.

the state may proceed with termination pursuant to Clause X of this contract.

## X. Termination of Contract

### A. Breach of Contract

If Contractor materially breaches any of the provisions of this agreement, the State shall have the right to terminate the contract by giving written notice of termination by mail, return receipt requested, to the Contractor. The procedures under Clause IX are not required to be followed prior to termination under this clause.

#### 1. Specific actions by Contractor that shall constitute a material breach of this agreement include, but are not limited to:

- a. Repeated noncompliance with the applicable regulations, guidelines and procedures of the State.
- b. Submission of false information to the State.
- c. Failure to maintain required records.
- d. Administrative or financial mismanagement.
- e. Failure to return to the State any advance payment which exceed the amount earned.
- f. Inadequate performance of contract (especially under-earning) or inadequate provision of program.
- g. Denial of access by authorized employees of the State to all program related or fiscal records during normal work hours.
- h. Failure to submit a timely audit for the previous year's contract.
- i. Material breaches of the previous years' contracts not discovered by the State until term of current contract.
- j. Failure to cure defects within the time frame agreed upon with the State after notification of noncompliance.
- k. Noncompliance with conditions required of Contractor under provisional status.

#### 2. Appeals Procedures

- a. Notification of Termination: The State shall notify the Contractor in writing by a Notice of Termination stating the reason(s) for the termination. The Notice of Termination shall be sent certified mail, return receipt requested. Except in case of imminent danger to health and welfare of the children, the termination shall be effective on the date specified in the notice or on issuance of an appeal decision under Clause X.E.

- b. Notice of Appeal: Upon receipt of a Notice of Termination, the Contractor may appeal the action by submitting a Notice of Appeal by certified mail, return receipt requested, to the Assistant Director of the Office of Child Development. The Contractor has ten (10) calendar days from receipt of the Notice of Termination to submit a Notice of Appeal.

It is necessary to request either a written or oral presentation of the appeal at the time the appeal is submitted under (d) below. However, to avoid delay, State will schedule a tentative hearing date pending the Contractor's election for such in the Formal Appeal under X.A.2.d below.

- c. Statement of Grounds and Documentation: Upon receipt of a Notice of Appeal, the State has fifteen (15) calendar days to notify the Contractor of the details of the grounds for termination and supporting documentation. This information shall be sent certified mail, return receipt requested. A copy of this information shall also be submitted to an impartial appeals officer.
- d. Formal Appeal: Upon receipt of the Statement of Grounds and Documentation, the Contractor has fifteen (15) calendar days in which to submit a Formal Appeal which shall set forth clearly and concisely the decision being appealed, the reason(s) the Contractor finds such a decision unwarranted and include any written documentation relevant to the appeal. If an oral presentation of the appeal is also requested, it shall be so stated. The appeal shall be sent to the Assistant Director of the Office of Child Development by certified mail, return receipt requested.
1. Written Appeal Only: If an oral hearing is not requested, an impartial appeals officer designated by the Superintendent of Public Instruction will review all available evidence submitted by the Contractor and the State and render a final decision within sixty (60) calendar days after receipt of the original Notice of Appeal.

- (2) The Oral Hearings. If a Contractor requests an oral hearing, the agency shall be given at least ten (10) calendar days advance written notice of the time and place of the hearing and no earlier than ten (10) calendar days after receipt of the formal appeal.

The notice shall be sent by certified mail, return receipt requested. An impartial appeals officer will hear evidence submitted by the Contractor and the State during the hearing. If the Contractor fails without good cause to appear for the hearing, the appeal will be decided on the written material submitted under paragraph X. C and D unless the appeals officer agrees to reschedule the hearing if convinced that the nonappearance was caused by circumstances beyond the control of the Contractor. The appeals officer shall render a final decision within five (5) calendar days after the completion of the hearing or within sixty (60) calendar days after receipt of the original Notice of Appeal, whichever date is later.

- e. The Decision. The appeals officer will make the final decision on the appeal and communicate that decision in writing within the timeframe stated in X.A.2d. (1) or X.A.2.d. (2) above to the Department of Education and the appellant. This decision shall be deemed the final decision of the Superintendent of Public Instruction, absent fraud or gross error, and shall be the final administrative determination to be afforded to the Contractor.

In the event the appeal is upheld, the State shall only be liable for the reasonable costs of prosecuting the appeal, other than attorney's fees, through the appeal process provided for under Clause X.A.

- f. Request for Additional Written Materials on File at the Department of Education. Contractors wishing to secure copies of specific fiscal and compliance documents on file at the Department of Education may request that material in writing prior to or at the time of submission of the Formal Appeal. The requested information will be provided at a reasonable cost and within a reasonable time to the Contractor. The cost of copies of the requested information shall be offset against the Contractor's next payment or if no payment is due, Contractor will be billed.

g. Competitive Application Process. In order to assure that there is no interruption in services to children, the State will initiate a competitive application process for the appellant's contract during the appeal procedure. A new contract will not be let and the appellant may continue to operate during the appeal procedures, unless the termination is based on imminent danger to the health and welfare of children. If the contract is being terminated for this reason, the State shall so specify in its Notice of Termination and shall contract with a new contractor at the earliest possible date.

3. The appeals procedure shall only be applicable to Clause X.A. of this agreement.

B. Termination for Convenience

1. This agreement may be terminated without cause by either party by giving forty (40) calendar days written notice which shall be sent by certified mail, return receipt requested.

2. The Contractor shall have the option to discontinue performance and be relieved of all obligations for further performance pursuant to this contract if any laws, rules regulations, and procedures are changed substantially during the term of this agreement.

Contractor has five (5) calendar days from receipt of notification of pending changes to notify the Assistant Director of the Office of Child Development of the Contractor's intent to terminate if the required changes are unacceptable to the Contractor. The contract shall be deemed terminated forty (40) calendar days after receipt of the notification of the intent to terminate or on the effective date of pending changes, whichever is sooner.

3. If the Contractor terminates this agreement, the State shall only be obligated to compensate the Contractor for actual and allowable cost of performance through the date of termination in accordance with this agreement. There shall be no other compensation to the Contractor.

4. The Contractor shall include a termination for convenience clause in all subcontracts, rental agreements, and other contractual arrangements permitting termination of such agreements without cost.

XI. This agreement is of no force or effect unless or until approved by the Department of Education, the Department of Finance, and the Department of General Services.

XII. COMMUNICATIONS

For any communication regarding this agreement, the agency should contact:

A. Office of Child Development  
State Department of Education  
1500 - 5th Street, 3rd Floor  
Sacramento, CA 95814  
(916) 322-6241

For any communication regarding this agreement, the State should contact:

B. Agency: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

EXHIBIT D - BUDGET

TO BE COMPLETED BY ALL CHILD CARE AND DEVELOPMENT AGENCIES  
 CONTRACTING WITH THE STATE DEPARTMENT OF EDUCATION

I. Enter the amount shown under Item V; COST AND PAYMENT of the  
 STANDARD AGREEMENT (CWD use amount shown under Item III.....

\$107,937.60
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II. DIRECT COSTS

<u>BUDGET CLASSIFICATIONS</u>	<u>DESCRIPTIONS</u>	<u>EXPENDITURES BY LINE ITEMS</u>	<u>EXPENDITURES BY CLASSIFICATIONS</u>
1000	salaries of personnel whose work requires a credential, permit, or license:.....		\$35,220.65
1100	Salaries of teachers	\$25,304.43	
1200	Salaries of administrators directors, supervisors	9,916.22	
1500	Salaries of health and guidance personnel: nurses, counselors, social workers, psychologists	_____	
1XXX	Other salaries: resource teachers, program specialist	_____	
2000	Salaries of personnel whose work does not require a credential, permit or license:.....		\$35,713.31
2100	Salaries of teacher assistants	\$18,732.88	
2200	Salaries of managers and supervisors	_____	
2300	Salaries of office staff: clerk, secretaries, bookkeepers, office machine operators	7,896.43	
2XXX	Other salaries: custodians, cooks, bus drivers, community aides, health aides	9,084	



3000	Employee benefits.....		\$21,448.35
3100	STRS and 3200 PERS	\$8,313.53	
3290	Independent retirement system	_____	
3300	Social security	4,515.72	
3XXX	Other benefits: health insurance unemployment insurance, workers compensation	8,619.10	
4000	Books, supplies, and equipment replacement.....		\$10,028.13
4200	Books	_____	
4300	Instructional supplies: diapers, art supplies, including 4400, instruc- tional media and media supplies	_____	
4500	Other supplies: office supplies, custodial supplies, including 4600 supplies for pupil transportation	\$3,650.	
4800	Piece-by-piece replacement of equipment	_____	
5000	Contracted services and other operating expenses.....		\$5,277.16
5100	Contracts for personal services	_____	
5200	Travel and conference expansion Review Item VI-G of this contract before encumbering	_____	
5400	Insurances: fire and theft, liability, fidelity	_____	
5500	Utilities and housekeeping	_____	
5600	Contracts, rents, and leases	_____	
5700	Audit expenses	_____	
5800	Other operating expenses	_____	

6400	Equipment.....		\$250.00
6410	Audio-visual equipment		
6430	Food Service equipment		
6490	All other equipment (COST OF \$300 OR MORE MUST BE APPROVED IN WRITING AND IN ADVANCE BY OCD)		

III. INDIRECT COSTS: (MUST HAVE PRIOR SDE APPROVAL TO CLAIM  
INDIRECT COSTS).....

IV. SUM OF DIRECT COSTS AND INDIRECT COSTS:  
(Must be equal to Item I-(1) above).....