

CARTON 5:11

LEE BROWN

PERSONAL: FRIENDSHIP VILLAGE APTS.

1990-1997

W.L. SCOTT & ASSOCIATES
415 921-2002

1485 BAYSHORE BOX 37
SAN FRANCISCO , CA 94117

Tenant Receipt for FRIENDSHIP VILLAGE TWO
February 3, 1997 Time 13:05

Received From Unit # 810 F
LEE BROWN

Rent Balance	153.00	Receipt #	004073
Misc Balance	0.00	Check #	970203

Total Due	153.00	Total Receipt	153.00
		New Balance Due	0.00

Rent Paid Thru February 28, 1997

Official Receipt. Please retain for your records.

MAKE CHECK OR MONEY ORDER PAYABLE TO: "PACIFIC BILLING SERVICES".
 N. S. F. CHECK CHARGE IS \$25.00. YOUR MANAGER AND OUR FIELD SERVICE
 REPS ARE NOT RESPONSIBLE FOR COLLECTING PAYMENTS; PLEASE MAIL THEM.

FRIENDSHIP VLG, II

DUE DATE
 05-23-96

ACCOUNT NUMBER
 094118-033501

MAIL DATE
 05-09-96

BROWN, LEE
 UNIT F
 P. O. BOX 421031
 SAN FRANCISCO, CA 94142

SUMMARY OF CHARGES
 UTILITIES 32.95

PLEASE PAY
 THIS AMOUNT

\$32.95

SERVICE	PRV-DATE	PRS-DATE	PRV-READ	PRS-READ	MULT	THERM-X	USAGE	AMOUNT
GAS	03-20	04-27	2650	2672	1	1.012	22	11.82
ELECTRIC	03-20	04-27	19953	20135	1		182	21.13

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
38	22	18
SERVICE		BASELINE
GAS		72.2
22@52727		11.5999
INSP FEE		0.2200
TOTAL		11.82

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
38	182	121
SERVICE		BASELINE
ELECTRIC		338.2
182@11589		21.0920
STATE TAX		0.0400
TOTAL		21.13

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
SERVICE		
TOTAL		

EXPLANATION OF TERMS: Appearing below are explanations of the various entries and terms used on your billing statement. If you have questions concerning the amount of energy use or definition of any item on your bill, please call or write to Pacific Billing Services at the address and telephone number appearing on statement.

BILLING DAYS: Normal bills are rendered monthly. Billing days are the number of days between meter readings. The bill will be prorated if the days are less than 27 or more than 33. (Not applicable to all rates and areas).

BASELINE: As set by the Utility Governing Agencies. Baseline allowances vary with different times of the year, and with types of appliances. The rate you pay for your energy will be lower for that portion that falls within the Baseline. (Not applicable to all rates and areas).

CUSTOMER CHARGE: This charge is not applicable to all rates and areas. If a Customer Charge appears on your statement please contact your local serving utility for a current and detailed definition.

LOCAL TAXES: Many local cities or agencies levy taxes on energy use. This may be in the form of a sales tax, franchise fee or energy use tax. In some cases these taxes will be summarized and shown on the billing statement under the one category of "LOCAL TAXES".

STATE TAX REIMBURSEMENT (ST-TAX-REIMB): This is an energy use tax levied by the State. Funds obtained are used by the state for energy conservation and resource development programs.

MULT: Due to manufacturing specifications some meters are installed with internal meter multipliers which cause reduced registration. The multiplier is clearly marked on the face of the meter. In these cases the consumption difference in meter reads is multiplied by the meter multiplier for billing purposes.

GAS THERMS & THERM-X: Therms are a measure of the heat energy in the gas. One therm equals 100,000 BTU'S (British Thermal Unit). Your gas meter records your consumption in hundreds of cubic feet. The therm multiplier (Therm-x) is obtained monthly from the local utility company and is used as a multiplier to convert gas cubic feet to therms. Subtracting your previous meter read from the present meter read and multiplying by the Therm-x will give the proper number of therms in the usage column. Your gas bill is calculated in therms rather than cubic feet. (Not applicable to all rate/areas.)

ELECTRIC USAGE: Your electric usage is measured in kilowatthours (KWHR). Usage is determined by subtracting the previous electric meter read from the present read. One 100-Watt bulb burning for 10 hours will consume one kilowatthour.

FANCOIL: A fancoil charge is for heating and/or air conditioning. The meter is a time elapsed indicator that measures hours of use.

DUE DATE: Your bill is due and payable upon presentation and becomes past due after the date indicated. Following that date, if not paid, your service may be subject to interruption.

RATES: All schedules and changes have been filed and approved by the State and or local governing agency. These rate schedules are available for review at your manager's office.

PACIFIC
BILLING
SERVICES

7250-H ENGINEER ROAD
SAN DIEGO, CA 92111
PHONE: (619) 292-4287

1-619-292-4287

MAKE CHECK OR MONEY ORDER PAYABLE TO: "PACIFIC BILLING SERVICES".
 N. S. F. CHECK CHARGE IS \$25.00. YOUR MANAGER AND OUR FIELD SERVICE
 REPS ARE NOT RESPONSIBLE FOR COLLECTING PAYMENTS; PLEASE MAIL THEM.

FRIENDSHIP VLQ, II

DUE DATE
 04-12-96

ACCOUNT NUMBER
 094118-033501

MAIL DATE
 03-29-96

SUMMARY OF CHARGES
 UTILITIES 23.70

BROWN, LEE
 UNIT F
 P. O. BOX 421031
 SAN FRANCISCO, CA 94142

PLEASE PAY
 THIS AMOUNT

\$23.70

SERVICE	PRV-DATE	PRS-DATE	PRV-READ	PRS-READ	MULT	THERM-X	USAGE	AMOUNT
GAS	02-21	03-20	2632	2650	1	1.015	18	9.66
ELECTRIC	02-21	03-20	19832	19953	1		121	14.04

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
28	18	13
SERVICE		BASELINE
GAS		53.2
18@52727		9.4909
INSP FEE		0.1700
TOTAL		9.66

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
28	121	120
SERVICE		BASELINE
ELECTRIC		249.2
121@11589		14.0227
STATE TAX		0.0200
TOTAL		14.04

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
SERVICE		
TOTAL		

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FRIENDSHIP VLG, II

DUE DATE
 03-12-96

ACCOUNT NUMBER
 094118-033501

MAIL DATE
 02-27-96

SUMMARY OF CHARGES

UTILITIES 21.20

BROWN, LEE
 UNIT F
 P. O. BOX 421031
 SAN FRANCISCO, CA 94142

PLEASE PAY
 THIS AMOUNT ▶

\$21.20

SERVICE	PRV-DATE	PRS-DATE	PRV-READ	PRS-READ	MULT	THERM-X	USAGE	AMOUNT
GAS	01-20	02-21	2610	2632	1	1.020	22	11.79
ELECTRIC	01-20	02-21	19751	19832	1		81	9.41

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
32	22	19
SERVICE		BASELINE
GAS		60.8
22@52727		11.5999
INSP FEE		0.1900
TOTAL		11.79

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
32	81	137
SERVICE		BASELINE
ELECTRIC		284.8
81@11589		9.3871
STATE TAX		0.0200
TOTAL		9.41

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
SERVICE		
TOTAL		

MAKE CHECK OR MONEY ORDER PAYABLE TO: "PACIFIC BILLING SERVICES".
 N. S. F. CHECK CHARGE IS \$25.00. YOUR MANAGER AND OUR FIELD SERVICE
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FRIENDSHIP VLG, II

DUE DATE

02-21-96

SUMMARY OF CHARGES

UTILITIES

38.04

ACCOUNT NUMBER

094118-033501

MAIL DATE

02-07-96

BROWN, LEE
 UNIT F
 P. O. BOX 421031
 SAN FRANCISCO, CA 94142

PLEASE PAY
 THIS AMOUNT

\$38.04

SERVICE	PRV-DATE	PRS-DATE	PRV-READ	PRS-READ	MULT	THERM-X	USAGE	AMOUNT
GAS	12-20	01-20	2588	2610	1	1.021	22	12.22
ELECTRIC	12-20	01-20	19531	19751	1		220	25.82

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
31	22	22
SERVICE		BASELINE
GAS		58.9
22@54711		12.0364
INSP FEE		0.1800
TOTAL		12.22

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
31	220	143
SERVICE		BASELINE
ELECTRIC		275.9
220@11716		25.7752
STATE TAX		0.0400
TOTAL		25.82

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
SERVICE		
TOTAL		

MAKE CHECK OR MONEY ORDER PAYABLE TO: "PACIFIC BILLING SERVICES".
 N. S. F. CHECK CHARGE IS \$25.00. YOUR MANAGER AND OUR FIELD SERVICE
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FRIENDSHIP VLG, II

DUE DATE

01-11-96

SUMMARY OF CHARGES

UTILITIES 25.77

ACCOUNT NUMBER

094118-033501

MAIL DATE

12-28-95

BROWN, LEE
 UNIT F
 P. O. BOX 421031
 SAN FRANCISCO, CA 94142

PLEASE PAY
 THIS AMOUNT ▶

\$25.77

SERVICE	PRV-DATE	PRS-DATE	PRV-READ	PRS-READ	MULT	THERM-X	USAGE	AMOUNT
GAS	11-20	12-20	2570	2588	1	1.017	18	10.68
ELECTRIC	11-20	12-20	19405	19531	1		126	15.09

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
30	18	24
SERVICE		BASELINE
GAS		57
18@58334		10.5001
INSP FEE		0.1800
TOTAL		10.68

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
30	126	120
SERVICE		BASELINE
ELECTRIC		267
126@11950		15.0570
STATE TAX		0.0300
TOTAL		15.09

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
SERVICE		
TOTAL		

W.L. SCOTT & ASSOCIATES
415 921-2002

1485 BAYSHORE BOX 37
SAN FRANCISCO , CA 94117

Tenant Receipt for FRIENDSHIP VILLAGE TWO
April 19, 1994 Time 11:34

Received From Unit # 810 F
LEE BROWN

Rent Balance	147.00	Receipt #	000870
Misc Balance	0.00	Check #	632456

Total Due	147.00	Total Receipt	147.00
		New Balance Due	0.00

Rent Paid Thru April 30, 1994

Official Receipt. Please retain for your records.

MAKE CHECK OR MONEY ORDER PAYABLE TO: "PACIFIC BILLING SERVICES".
 N. S. F. CHECK CHARGE IS \$25.00. YOUR MANAGER AND OUR FIELD SERVICE
 REPS ARE NOT RESPONSIBLE FOR COLLECTING PAYMENTS; PLEASE MAIL THEM.

FRIENDSHIP VLG, II

DUE DATE
02-09-93

ACCOUNT NUMBER
094118-033501

MAIL DATE
01-26-93

SUMMARY OF CHARGES
UTILITIES 46.67

BROWN, LEE
 UNIT F
 P. O. BOX 421031
 SAN FRANCISCO, CA 94142

PLEASE PAY
THIS AMOUNT

\$46.67

SERVICE	PRV-DATE	PRS-DATE	PRV-READ	PRS-READ	MULT	THERM-X	USAGE	AMOUNT
GAS	12-16	01-18	1996	2040	1	1.018	45	22.71
ELECTRIC	12-16	01-18	14075	14279	1		204	23.96

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
33	45	33
SERVICE		BASELINE
GAS		66
45@50456	22.7050	
TOTAL	22.71	

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
33	204	178
SERVICE		BASELINE
ELECTRIC		297
204@11726	23.9210	
STATE TAX	0.0400	
TOTAL	23.96	

THIS YEAR		LAST YEAR
DAYS	USAGE	USAGE
SERVICE		
TOTAL		

CUSTOMER'S RECEIPT

DO NOT SEND THIS RECEIPT FOR PAYMENT
KEEP IT FOR YOUR RECORDS

86272501320 001003 941103 *170*00

SERIAL NUMBER

YEAR, MONTH, DAY

POST OFFICE

U. S. DOLLARS AND CENTS

PAY TO

Friendship Village



CHECKWRITER
IMPRINT AREA



ADDRESS

40 Friendship St
S.F. Ca. 94117

FROM

Lee Brown

ADDRESS

110 Fulton St #F
S.F. Ca. 94117

C O D NO. OR
USED FOR

This receipt is your guarantee for a refund of your money order if it is lost or stolen, provided you fill in the *Pay To* and *From* information on the money order in the space provided. No claim for improper payment permitted 2 years after payment. If your money order is lost or stolen, present this receipt and file a claim for a refund at your Post Office.

An inquiry Form 6401 may be filed at any time for a fee. A replacement will not be issued until 60 days after the money order purchase date, provided the money order has not been paid.

FEELT 10/3/00

CUSTOMER'S RECEIPT

DO NOT SEND THIS RECEIPT FOR PAYMENT
KEEP IT FOR YOUR RECORDS

63534450363 971201 941103 *154*00

SERIAL NUMBER

YEAR, MONTH, DAY

POST OFFICE

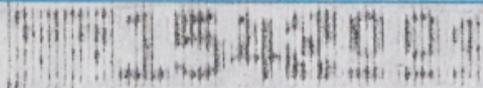
U. S. DOLLARS AND CENTS

PAY TO

Friendship Village



CHECKWRITER
IMPRINT AREA



ADDRESS

40 Friendship Street
San Francisco, CA 94117

FROM

ADDRESS

Lee Beson
810 Fulton # F
San Francisco, CA 94117

COD NO. OR
USED FOR

This receipt is your guarantee for a refund of your money order if it is lost or stolen, provided you fill in the Pay To and From information on the money order in the space provided. No claim for improper payment permitted 2 years after payment. If your money order is lost or stolen, present this receipt and file a claim for a refund at your Post Office.

An inquiry Form 6401 may be filed at any time for a fee. A replacement will not be issued until 60 days after the money order purchase date, provided the money order has not been paid.

Cent 12/1/95

CUSTOMER'S RECEIPT

DO NOT SEND THIS RECEIPT FOR PAYMENT
KEEP IT FOR YOUR RECORDS

66374202537 970403 941103 **25*00

SERIAL NUMBER	YEAR, MONTH, DAY	POST OFFICE	U. S. DOLLARS AND CENTS
PAY TO <i>Mr. & Mrs. J. T. ...</i>	CHECKWRITER IMPRINT AREA 		
ADDRESS <i>PO Box 2720 Spartanburg, S.C. 29701</i>	FROM <i>Lee Powell</i>	ADDRESS <i>110 Patton - 1 H.F.</i>	
COD NO. OR USED FOR		<i>San Francisco, CA 94117</i>	

This receipt is your guarantee for a refund of your money order if it is lost or stolen, provided you fill in the *Pay To* and *From* information on the money order in the space provided. No claim for improper payment permitted 2 years after payment. If your money order is lost or stolen, present this receipt and file a claim for a refund at your Post Office.

An inquiry Form 6401 may be filed at any time for a fee. A replacement will not be issued until 60 days after the money order purchase date, provided the money order has not been paid.

41-197

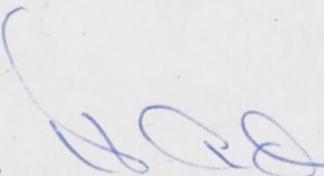
7/31	L. Brown	810 128	8/1	8/31				128	9956	128			
DATE	NAME	MONTHLY RENTAL CHARGE	FROM	THRU	LATE CHG.	REPAIRS	OTHER	*PAYMENT CREDITED TO		RECEIPT NO.	TOTAL AMOUNT REC'D	BAL. DUE	PREVIOUS BALANCE

THIS IS YOUR RECEIPT FOR AMOUNT SHOWN 

09956

FRIENDSHIP VILLAGE NO. 2
 40 FRIENDSHIP COURT
 SAN FRANCISCO, CALIFORNIA 94117
 PHONE 921-2002

DELINQUENT IF NOT PAID BY
 THE 5TH DAY OF THE MONTH

Received By  _____

THANK YOU

7/6	L. Brown	810 F	128	7/1	7/31				128	9893	128		
DATE	NAME		MONTHLY RENTAL CHARGE	FROM	THRU	LATE CHG.	REPAIRS	OTHER		RECEIPT NO.	TOTAL AMOUNT REC'D	BAL. DUE	PREVIOUS BALANCE
				PERIOD COVERED		*PAYMENT CREDITED TO							

THIS IS YOUR RECEIPT FOR AMOUNT SHOWN 

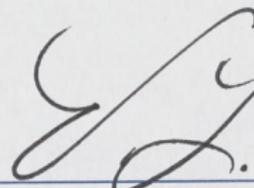
09893

FRIENDSHIP VILLAGE NO. 2

40 FRIENDSHIP COURT
 SAN FRANCISCO, CALIFORNIA 94117
 PHONE 921-2002

DELINQUENT IF NOT PAID BY
 THE 5TH DAY OF THE MONTH

Received By _____



THANK YOU

WORK DESCRIPTION

Senior Mentors

Essential Nature of Work:

This position is open to senior residents of Friendship Village who are age 55 and above to work with children and youth who are residents of Friendship Village and other public assisted housing developments in the Western Addition, to provide inter-generational guidance, friendship and role modeling. Activities include baby sitting, homework assistance and tutoring and recreational activities to the youth after school hours, from 3 to 5 p.m. Services will be provided in the Community Room as well as in seniors' apartments. The Senior mentor also brings neighbors together to address common concerns and note individual needs.

Responsibilities:

1. Work with Senior Groups in the community to develop a support system for seniors throughout the community.
2. Develop and conduct child supervision services enabling female parents to seek and/or attend educational, vocational, counseling or treatment services within the community.
3. Provide supervised recreational and arts and crafts activities designed for youth after school hours. 3 to 5 p.m.
4. Assist youth with homework assignments by advising and tutoring.
5. Act as a positive role model for youth in the community.

Minimum Qualifications:

No educational requirements. Must be a resident of Friendship Village and must provide proof of residency. Must be age 55 or older. Good verbal and writing communication skills; some knowledge of community youth programs and an ability to enjoy and communicate with young people.

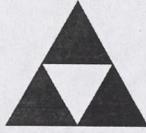
Application Procedure and Deadline:

There will be an information meeting on December 11, 1995 from 3 to 5 p.m. at the Community Room B, 1165 McAllister Street. Applications will be taken at this meeting. Selection will be made by December 15, 1995. If you cannot attend this meeting but are interested, please contact John Griffin, Program Manager at (415) 383-9635 for an application.

Stipend:

\$100.00 per Month for 12 months.

COPY COPY

GGW&C  INC.
GRANTWRITING & CONSULTING

"Partners For Change"

**INDEPENDENT CONTRACTOR
CONTRACT AGREEMENT**

On this 31 day of January, 1996, Griffin Grant Writing & Consulting (hereinafter referred to as GGW&C) and LEE BROWN (contractor) agreed that Contractor will provide the services described in Article 4 of this agreement to GGW&C under the terms and conditions of this contract. Both parties understand that the services provided under this contract are subject to the Drug Elimination Program grant award and this contract is a cost reimbursement contract subject to all regulations and covenants by the Department of Housing and Urban Development (HUD) and the Office of Management and Budget (OMB). By affixing their signature to this contract the contractor signifies he/she have received a copy of applicable regulations (specifically OMB circulars A-122 and A-133) and will adhere to the guidelines set forth therein. In addition, Contractor agrees to adhere to any and all other requirements as set forth by GGW&C to comply with the terms and conditions of the grant award.

ARTICLE 1. LENGTH OF CONTRACT

1.1 This contract becomes effective the day both parties have signed it. It continues in effect until terminated in accordance with the application termination provisions in Articles 9.1 through 9.4 of this contract.

ARTICLE 2. INDEPENDENT CONTRACTOR

2.1 It is the express intention of the parties that Contractor is an independent contractor and not an employee, agent, joint venture or partner of GGW&C, Friendship Village, HUD, OMB, W.L. Scott & Associates or any other related entity. Nothing in this contract shall be interpreted or construed as creating or establishing the relationship of employer and employee between GGW&C other above noted agencies and Contractor or any employee or agent of Contractor.

Contractor retains the right to provide services for others during the term of this contract and is not required to devote his/her services exclusively for GGW&C.

From The Library Of
LEE BROWN

From The Library Of
LEE BROWN

ARTICLE 3. QUALIFICATION REQUIREMENTS

3.1 **Contractor & Subcontractors:** The Contractor agrees that he/she has provided accurate information on his/her educational and work experience to John A Griffin of GGW&C. He/she further agrees that he/she fully understand the scope of services associated with services described in Article 4 and is qualified to provide said services. If the contractor uses employees, agents, subcontractors or other in the performance of duties associated with this contract, the subcontractor, employee, or agent must be similarly qualified. Upon request by GGW&C, Contractor will provide proof of such experience and qualifications. Any and all misrepresentations material or otherwise shall be reason for immediate termination. Contractor has reviewed the work description and by affixing his/her signature to this document has provide Mr. Griffin with an accurate representation of their qualifications and or experience and the experience of any subcontractor, representative or agent.

3.2 **Training:** Contractor understands that GGW&C is under no obligation to train and does not provide any training for material and or services under this agreement.

3.3 **Materials/services:** Contractor agrees that all materials and or services produced under this agreement is the sole property of GGW&C. Contractor will not disseminate or use these materials/services in any way not authorized in writing by GGW&C. Further, the Contractor understands and agrees the materials/services produced must meet the standards of quality for professionals, as determined by GGW&C. Reasonable efforts will be made to communicate the required standards in each assignment. Contractor is ultimately responsible for understanding the designation of "quality" for each assignment. Should the quality of materials/services produced not meet these standards, Contractor may be required to reproduce services, at their own expense.

3.4 **Services/Materials:** Contractor agrees that all materials/services produced under this agreement are the sole property of GGW&C. Further, Contractor agrees that he/she will return all originals, masters and or copies of materials/services borrowed or produced in the execution of this agreement within seventy-two hours of termination or as requested and required by GGW&C. Contractor understands and agrees that no materials/services produced or used in the execution of services associated with this contract may be reproduced or used outside this agreement, for any reason, without prior written consent of GGW&C. Further, Contractor agrees not to disclose any information regarding work in progress, clients, work completed, or any other information arising from projects under this agreement without prior written permission of GGW&C.

ARTICLE 4. CONTRACTOR'S SERVICES

4.1 Services: Contractor agrees to provide the following services in alignment with the Friendship Village 1995 DEP grant award:

The services I will provide as follows:

Lectures to seniors concerning, seniors rights, housing issues, health issues, senior abuse and needs for seniors. I will provide referrals on all the above issues.

I will provide one on one discussions to seniors to enable them to be strong and productive people.

My services will also provide:

Lectures to youth concerning crime prevention, dangers of drug abuse, the importance to stay in school.

I will provide one on one discussions and information to youth to enable them to be strong and productive people.

I will provide referrals on all the above issues.

I will provide separate groups for seniors and youth.

I will provide separate one on one discussions for seniors and youth.

Lee Brown

I was member of Senior Commission
Over 50 years with the Labor Union
I completed AFL-CIO Training Course Sponsered by S.F.
Labor Council

ARTICLE 4. CONTRACTOR'S SERVICES

4.1 **Services:** Contractor agrees to provide the following services in alignment with the Friendship Village 1995 DEP grant award:

~~My services will provide as follows:~~

~~Lectures to seniors concerning , seniors rights, housing issues, health issues, senior abuse and needs for seniors~~

Contractor has received a copy of the work description attached to this agreement and agrees to the general description set forth therein as well as the description noted above.

4.2 **Method of Providing Services:** Except for Contractor agreeing to use professional standards in accordance with instruction delineated by GGW&C the Contractor determines the methods, details and means of providing the above-described services. Such details and means are at the discretion of the Contractor. The quality of services and or materials/services is deemed acceptable at the discretion of GGW&C. Any materials/services deemed unacceptable shall be reproduced at the expense of the Contractor using whatever methods are appropriate and acceptable to Contractor. GGW&C reserves the right to terminate Contractor if any materials or services are so deemed unacceptable without explanation or cause.

4.3 **Completion:** Contractor may use substitutes, subcontractors, agents or employees to complete the assigned projects with the provision that the specific results and quality of materials/services are maintained. Further, these substitutes, subcontractors, agents and employees must meet the qualifications as noted in "Article 3. Qualifications of Contractor." Whenever the term "Contractor" is used, it includes the terms "substitutes," "agents," "employees," and "subcontractors," where applicable. This contract does not include any provisions for the use of subcontractors, substitutes, agents or employees and the use of these is at the discretion of the Contractor. Contractor

assumes full responsibility for the use, actions, and responsibilities of subcontractors, agents, employees, or substitutes in the completion of services under this agreement.

4.4 **Substitutes, Subcontractors, Agents, and Employees Policy:** The Contractor is ultimately responsible for the completion of all services under this agreement. Under no circumstances will the contractor request GGW&C to assume responsibility for the completion of tasks and projects under this contract.

4.5 **Place of Work:** The Contractor assumes the responsibility of providing their own place of work, materials/services, supplies, and equipment required for the completion of the services under this contract. GGW&C may provide access to offices to complete the organizational tasks as requested and agreed to by Contractor and GGW&C.

ARTICLE 5. PAYMENT FOR SERVICES

5.1 In consideration for the services to be provided by Contractor, GGW&C agrees to pay the Contractor the stipend sum of \$100.00 per month. All work must be provided for review, and approval prior to the approval of payment.

5.2 **Invoices & Date of Payment:** Contractor must timely submit a completed invoice (including the information below) for the services rendered by Contractor. The payment of invoice is subject to the final approval and acceptance of work performed. All invoices must contain the following information:

1. Date of invoice
2. Full Name of Contractor
3. Mailing Address of Contractor
4. Phone Number of Contractor
5. Social Security Number of Contractor
6. Breakdown of hours and days worked on project
7. Total # of hours
8. Total amount owed
9. Name of Project
10. Completion date of project
11. Vendors and or subcontractors invoices, receipts and canceled checks.

Contractor agrees and understands that he/she is to maintain records regarding the services rendered, time sheets, invoices submitted and payments made. Contractor agrees this is not a fixed price contract but is a cost reimbursement contract subject to the interpretation of HUD and OMB regulations and requests. As such, Contractor agrees to provide all receipts, time sheets, and other materials as requested by GGW&C prior to receiving their stipend payments. Some services may require GGW&C to provide an advance to cover materials for services. GGW&C reserves the right to provide such an advance at their sole discretion.

5.3 **Withholding Payment:** GGW&C may withhold payment of invoices until the invoice is properly completed. Invoices must be dated and signed by Contractor. All invoices are paid on a 30 day net basis. Invoices submitted may require additional information in accordance with HUD and OMB regulations and requests. Therefore, Contractor agrees to provide this information to GGW&C as requested by GGW&C. GGW&C is under no obligation to provide information on the applicable regulations which requires the additional information.

ARTICLE 6. COST AND EXPENSES

6.1 Contractor shall be responsible for all cost and expenses associated with each assigned project incident to rendering of services to GGW&C. This includes, but is not limited to, all costs of equipment provided by contractor, travel and communications costs, all professional fees, all fines, licenses, bonds or taxes required of or imposed against contractor and any other costs of doing business. Additionally, Contractor will incur the expense to correct any unacceptable or substandard work for any of the assigned and accepted projects. GGW&C shall not be responsible for any expenses or costs of any kind incurred by Contractor in providing services for GGW&C.

ARTICLE 7. OBLIGATION OF CONTRACTOR

7.1 **Tools & Instruments:** Contractor will at his/her own expense supply all necessary tools and equipment associated with the completion of services under this contract.

7.2 **Worker's Compensation:** Contractor agrees to provide Workers' Compensation insurance for its own employees and agents and agrees to hold harmless and indemnify Griffin Grant Writing & Consulting for any claims arising out of injury, disability, or death of any Contractor's employees, subcontractors, or agents.

7.3 **Liability Insurance and Indemnification:** Contractor agrees to indemnify and hold harmless Griffin Grant Writing & Consulting against any and all liabilities imposed or claimed, including attorneys' fees and other legal expenses, arising directly or indirectly from any act or failure of Contractor or Contractor's assistants, subcontractors, employees or agents. This includes, but is not, limited to all claims of injury, death, loss of property.

7.4 **State & Federal Taxes:** Contractor understands that as an independent contractor, he/she is responsible for paying all required state and federal taxes and insurance. In particular Griffin Grant Writing & Consulting will not:

- withhold FICA (Social Security) from Contractor's payments;
- make state or federal unemployment insurance contributions on behalf of Contractor;
- withhold state or federal income tax from Contractor's payments;
- make disability insurance contributions on behalf of Contractor;

- obtain workman's compensation insurance on behalf of contractor.

7.5 **No Employee Benefits:** Contractor further understands and agrees that as an independent contractor he/she is not entitled to any benefits from GGW&C typically associated with an employee such as medical or vacation benefits.

ARTICLE 8. OBLIGATION OF GGW&C

8.1 **Cooperation of GGW&C:** GGW&C agrees to comply with all reasonable requests of Contractor necessary for Contractor to provide the services under this contract.

8.2 **Place of Work:** Contractor is expected to provide his/her own place of work for the completion of services under this agreement. GGW&C is under no obligation to provide a place of work for the completion of assigned projects, but may provide access to offices as required in identified projects.

ARTICLE 9. TERMINATION OF CONTRACT

9.1 **Termination on Occurrence of Stated Events:** This contract shall terminate immediately on the occurrence of any of the following events:

- Bankruptcy, insolvency or death of either party;
- Rescission of grant award;
- Termination of DEP Management Contract between GGW&C and Friendship Village (or its Managing Agent) executed on November 1, 1995;
- Violation of any terms of this contract.

9.2 **Termination by GGW&C:** Should Contractor default in providing services under this contract or materially breach any of its provisions, GGW&C, at its option, may terminate this agreement immediately without giving written notification to Contractor. For the purposes of this section, material breach of this contract includes, but is not limited to, the following circumstances:

- Contractor is not qualified to provide services as determined by the quality of materials and/or services and research performed;
- Contractor fails to complete assigned projects within verbal or written time provided to Contractor upon assignment (Contractor understands that acceptance of work and time frames is understood at the date of assignment);
- Contractor fails to provide periodic review of materials and or services through the process as requested by GGW&C;
- Contractor falsifies an invoice;
- Contractor defames/slanders GGW&C either verbally or in writing;

- Contractor fails to present themselves to clients of GGW&C in a professional manner;
- Contractor's conduct generates complaints from clients of GGW&C;
- Quality of materials and or services are not consistent with the requests and or requirements of GGW&C.

GGW&C reserves the right to terminate this contract without cause or explanation to Contractor. Termination may be verbal or written and Contractor will be required to provide all materials already produced and requested within seventy-two hours from termination or forfeit all outstanding payments for services already provided.

9.3 **Termination by Contractor for Default of GGW&C:** Should GGW&C default in the performance of this contract or materially breach any of its provisions, Contractor, at its option, may terminate this contract immediately by giving written thirty days notification to GGW&C.

9.4 **Failure to Pay:** Should GGW&C fail to pay any part of compensation set forth in Article 5 of this contract, Contractor, at his/her option, may terminate this agreement if failure is not remedied within 30 days from the date payment is due. All invoices must meet the terms of this agreement to be considered for payment and if acceptable are payable within thirty days from submission.

ARTICLE 10. GENERAL PROVISIONS

10.1 **Notices:** Any Notice required under this contract required to be in writing and may be given by hand delivery or mail, registered or certified, postage prepaid. Mailed notices shall be addressed to the parties at the following addresses:

GGW&C
1038 Redwood Highway, Suite 1
Mill Valley, CA. 94941

Lee Brown
P.O. Box 42-1031
S.F. CA.
P.O. Box S.F. CA
Box 42-1031 S.F. CA.

10.2 If either party changes its address, written notice of such change must be given immediately to other party.

Notices delivered by hand are deemed communicated as of actual receipt. Mailed notices are deemed communicated as of 3 days after mailing.

10.2 **Entire Contract of Parties:** This contract confirms the terms of the verbal agreement and supersedes any and all other contracts, either oral or written, between the parties regarding the Contractor's services for GGW&C. It also contains all the covenants and agreements between the parties regarding the rendering of services in any manner whatsoever.

Each party to this contract acknowledges that no representation, inducements, promises or agreements, verbal or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not contained in this contract. If there is any agreement, statement or promise, it shall be void, invalid and non-binding.

Any modification of the contract will be effective only if it is in writing and signed by the appropriate parties. Project descriptions for each task assigned under this agreement shall be signed or considered void.

10.3 **Partial Invalidity:** If any provision of this contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

10.4 **Moneys Due Deceased Contractors:** If Contractor dies prior to the completion of the contract, any moneys that may be due Contractor from GGW&C under this contract as of the date of death will be paid Contractor's estate or successors.

10.5 **Government Documents:** Contractor agrees to file all necessary governmental documents, including appropriate tax returns, reflecting its income status as an Independent Contractor for services rendered to GGW&C under this agreement. Should any governmental agency audit the files of GGW&C and request information on the Contractor, Contractor agrees to immediately furnish GGW&C with any records, including tax returns, relating to the services rendered under this contract.

10.6 **Non-Assignment:** Contractor agrees not to assign the duties and or responsibilities described in Article 4 of this contract without written authorization by GGW&C.

ARTICLE 11. LEGAL PROCEEDINGS

11.1 **Arbitration & Governing Law:** Both parties agree to submit any controversy between them involving the construction or arbitration or application of the terms, covenants, or conditions of this contract to binding arbitration.

This contract shall be governed by and construed under California Law. The arbitration will comply with and be governed by the provisions of the California Arbitration Act, Sections 1280 through 1294.2 of the California Code of Civil Procedure.

The parties will each appoint one person to hear and determine the dispute and if he/she are unable to agree, then the two persons so chosen will select a third impartial arbitrator

from a list of 5 arbitrators provided by the California State Mediation and Conciliation Services. The chosen arbitrator's decision will be final and conclusive on both parties.

11.2 Attorney's Fees: In the event any party to this contract brings legal proceedings, whether arbitration, litigation or otherwise, to enforce any of the terms of this contract, GGW&C will be entitled to recover GGW&C's attorney fees and costs form Contractor.

Both parties, by affixing their signature and dating this contract have read, understand and agree to the terms set forth herein. Contractor agrees that he/she has been given the opportunity to review this contract, including legal advise and by affixing their signature agrees to the terms herein. This contract is binding and in force as of _____, 1996, executed at San Francisco, California.

Griffin Grant Writing & Consulting

Contractor

By:

By:

(Signature)

John A. Griffin
President

(Signature)

LEE BROWN

(Print Name)

Contractor

Dated _____

Dated 1/31/96

Friendship Village, Inc.

W.L. Scott & Associates, Inc.

By:

By:

Flora B. McRay

Date

President of the Board

Walter L. Scott

Date

President

Contractor's Social Security or Taxpayer Identification Number: 466-10-9205
Please initial for verification J.B.

SECTION II: OMB CIRCULAR A-122: COST REASONABLENESS AND ELIGIBILITY



A. Purpose of Circular A-122

COPY

OMB Circular A-122 defines the costs that can and can not be charged to a Federal Grant. These cost categories are segregated into either *allowable* or *unallowable* expenditures. Certain costs clearly fall into one or the other category by definition while others may have certain components of allowable and unallowable costs depending on the specific circumstances surrounding the expense.

The Circular also establishes categories for allowable costs. Those expenses that are incurred to carry out the purpose of the program as defined under the grant agreement are called *direct* costs while those expenses which are incidental or unrelated to the program purpose are called *indirect* costs.

For those organizations that are recipients of more than one Federal award and/or receive funds for specific program(s) from the private sector, the Circular establishes policies and procedures for the allocation of indirect costs to ensure that the grant recipient does not recover more than the actual cost incurred.

For those grant recipients who must establish an indirect cost rate under the terms of a Federal grant, the Circular is also intended to avoid duplicate negotiations among Federal agencies with a particular grantee for the same type of cost and also to provide a consistent approach for the grantee by which to negotiate an indirect cost structure and rate.

It may be important to note that the Circular is *not* intended to dictate the extent or to define the purpose of Federal funding for a particular grant, but rather to ensure that Federally-assisted programs only be charged for their fair share of allowable costs incurred by the recipient. Also, it is not the intention of the Circular to provide for profit or other incremental amounts above actual costs incurred.



B. Unallowable and Allowable Costs

ALLOWABLE COSTS

Grantees can be reimbursed for costs incurred under the terms of the grant if such costs meet certain criteria as established in the Circular. The box below outlines the general requirements for a cost to be considered *allowable*:

Factors Affecting Allowability of Costs

- The cost must be reasonable.
- The cost must be allocable.
- The cost must be accorded consistent treatment.
- The cost must conform to any limitations or exclusions set forth in the grant or contract.
- The cost must be determined in accordance with generally accepted accounting principles.
- The cost must be adequately documented.

These factors apply to both direct and indirect costs.

SECTION II: OMB CIRCULAR A-122: COST REASONABLENESS AND ELIGIBILITY

Reasonable - a cost is reasonable if it is not more than would be incurred by a prudent person under similar circumstances. Some things to consider when determining reasonableness are whether the cost is ordinary and necessary for the performance of the award, any restrictions that may be imposed by general business practices or Federal and state laws and industry practice.

Allocable - a cost is allocable to a Federal award if it is treated consistently with other costs incurred for similar purposes, it was specifically incurred for the award or benefits the award and other programs of the organization and can be distributed in proportion to those benefits.

Consistent treatment - costs must be consistently charged to both government and non-government programs.

Limitations/Exclusions - costs that may otherwise be allowable are unallowable if specifically excluded per the grant agreement.

GAAP - cost must be in accordance with Generally Accepted Accounting Principles.

Adequately documented - Examples of inadequate documentation include:

- Missing or incomplete invoices
- No formal agreement for outside professional services
- No cost allocation plan
- No records to support the computation of depreciation

UNALLOWABLE COSTS

The basic principles of unallowable costs according to OMB A-122 are based on the following seven criteria:

- Costs to the extent they are unreasonable in amount.
- Costs that are not allocable to government grants or contracts
- Costs that are inconsistently charged both as a direct and indirect cost to government grants or contracts.
- Costs specifically cited as unrecoverable from the government by statute or regulation.
- Costs specifically cited in the grant or contract as unallowable.
- Costs that are not in compliance with grant or contract terms and conditions.

SECTION II: OMB CIRCULAR A-122: COST REASONABLENESS AND ELIGIBILITY

Examples of Unallowable Costs

- Dues - Lobbying activities
- Bad debts
- Contributions and donations
- Entertainment costs
- Fines and penalties
- Interest and other financing costs
- Losses on other grants or contracts
- Fund raising
- Investment counsel or management
- Organization costs
- Patent and copyright costs where title is not conveyed to the government
- Capital expenditures except as provided for in the grant/contract
- Contingencies
- Idle facilities and idle capacity



C. Specific Items or Elements of Cost

Attachment B of OMB Circular A-122 includes a complete listing of specific elements of costs and a determination as to their allowability or unallowability. The following listing represents only selected costs that have historically created problems and have been expanded here to provide further clarification. These costs are either unallowable or can be potentially allowable if specific criteria are met.

GENERALLY UNALLOWABLE

Dues -- Lobbying Activities

Costs associated with the following activities are unallowable:

- a) Attempts to influence the outcome of any Federal, state, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activity.
- b) Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcome of elections.

SECTION II: OMB CIRCULAR A-122: COST REASONABLENESS AND ELIGIBILITY

Contributions and Donations

Contributions and donations by the organization to others are unallowable.

Entertainment Costs

Costs of amusement, diversion, social activities, ceremonials, and related costs, such as meals, lodging, rentals, transportation, and gratuities are unallowable.

Penalty Costs

Costs of fines and penalties resulting from violations of, or failure of the organization to comply with Federal, state, and local laws and regulations are unallowable except when incurred as a result of compliance with specific provisions of an award or instructions received in writing from the awarding agency.

Interest Costs

Costs incurred for interest on borrowed capital or temporary use of endowment funds are unallowable.

Fund Raising

Costs for organized fund raising, including financial campaigns, endorsement drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions are unallowable.

ALLOWABLE UNDER CERTAIN CIRCUMSTANCES

Idle Facilities

"Idle facilities" means completely unused facilities that are not currently needed by the organization.

The costs of idle facilities are unallowable except if:

- a) They are necessary to meet fluctuations in workload; or
- b) They were necessary when acquired for operations, but due to matters which could not have been reasonably foreseen are now idle. Under these circumstances, costs of idle facilities are allowable for a reasonable period of time, ordinarily not to exceed one year, depending upon the initiative taken to use, lease, or dispose of such facilities.

SECTION II: OMB CIRCULAR A-122: COST REASONABLENESS AND ELIGIBILITY

Rental Costs

Rental costs are allowable as long as the rates are comparable to similar property in the area.

Rental costs under sale/leaseback arrangements are allowable only up to the amount that would be allowed had the organization continued to own the property (depreciation or use allowance).

Rental costs under less-than-arms-length leases are allowable only up to the amount that would be allowed had title to the property remained with the organization. For these purposes, a less-than-arms-length lease is one under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include divisions of an organization, organizations under common control through common officers, directors or members, and an organization and a director, trustee, officer, or key employee of the organization or his immediate family either directly or through corporations, trusts, or similar arrangements made in which they hold a controlling interest.

If the rental cost of a piece of equipment over a two-year period exceeds the purchase price, the grantee should request written authorization from the Federal agency funding the grant to purchase the equipment.

Travel and Per Diem

Travel policies as set forth in the Federal Travel Regulations are required to be followed by grantees receiving Federal funds. Where a grantee has a more restrictive travel policy than the Federal Travel Regulations, the more restrictive requirements shall apply.

Responsibility of grantee to authorize per diem allowances is justified by the circumstances affecting the travel. Rates for various locations are published in the Federal Register and updated as these rates change.

Per diem includes food and lodging expenses. The lodging expense cannot exceed the maximum amount allowable and is reimbursed to the traveler at actual cost up to the maximum. Hotel receipts are necessary to support the cost. Miscellaneous and incidental expenses, which includes food, are allowed at either \$26.00 or \$38.00 per day, depending upon the location. Airfares, limousine/taxis to and from the airports, or for travel around town while on official business, car rental are allowable travel expenses in addition to the per diem. Copies of the flight ticket, car rental agreement, gasoline purchases, and taxi fares in excess of ten dollars, are required.

Professional Services

Costs of professional and consultant services rendered by persons who are not officers or employees of the organization, are allowable subject to certain conditions.

**SECTION II: OMB CIRCULAR A-122: COST REASONABLENESS
AND ELIGIBILITY**

When determining the allowability of costs in a particular case, the following factors are relevant:

- Nature and scope of services rendered in relation to the service required
- Necessity of contracting for the service considering the organization's capability in the particular area
- Past pattern of such costs prior to Government awards
- Impact of government awards on the organization's business
- Proportion of Government work to the organization's total work and whether this influences the organization in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to government grants.
- Whether the work can be more economically performed by staff
- Qualifications and fees charged by concern rendering service and the customary fees charged on non-Government awards
- Adequacy of contract for the services, description of the services, estimate of the time required, compensation and termination provisions

Costs of legal, accounting and consultant services and related costs incurred in connection with the prosecution of claims against the Government are unallowable.

Retainer fees are allowable if they are properly supported and have not been incurred in connection with the prosecution of claims against the Government.

Capital Equipment

Expendable property with a unit acquisition cost of less than \$5,000 -- the recipient may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.

Nonexpendable property with a unit acquisition cost of \$5,000 or more -- the Federal sponsoring agency may reserve the right to transfer the title to the Federal Government or to a third party named by the Federal Government.

SECTION II: OMB CIRCULAR A-122: COST REASONABLENESS AND ELIGIBILITY



D. Application of A-87, A-21, FAR and A-122

For the costs of a ---	Use the principles in --
State, local or Indian tribal government	OMB Circular A-87
Educational institutions	OMB Circular A-21
Government entities	Federal Acquisition Register
Private nonprofit organization other than (1) an institution of higher education, (2) a hospital, or (3) an organization named in OMB Circular A-122 as not subject to that circular	OMB Circular A-122

- The Federal government has issued numerous guidelines and regulations for the determination of cost eligibility and reasonableness. Many of the regulations are similar to OMB A-122 but each set applies specifically to certain identified groups as shown above.

SECTION III: OMB Circular A-122: Cost Allocation



A. Definition of Direct and Indirect Costs

Total costs are comprised of two subsets of costs: **Direct** and **Indirect**. Differences between direct and indirect costs are not always clear. The definitions below should be used as a guideline for cost determination.

It is important to note that what may be a direct cost for one grantee may be an indirect cost for another grantee. The decision to treat a certain cost as an indirect cost or a direct cost will depend upon the treatment of that cost within the grantee's accounting system and to what the cost pertains.

Direct Costs are costs that can be identified specifically with a particular program objective. Examples of direct costs include:

- Salaries, including associated fringe benefits, of those personnel whose effort can be directly identified to a particular program or cost objective
- Cost of materials and other supplies as acquired, consumed, or expended specifically for the purpose of the program or cost objective
- Travel costs incurred directly in conjunction with carrying out the program
- Equipment costs incurred for equipment used specifically for a program

Indirect Costs include the organization's central management and administrative functions, general expense and selected joint costs necessary to the overall operations. These costs are normally identified as indirect costs, and are budgeted for and distributed through an indirect cost rate. Such costs are not readily assignable to specific awards and activities because a direct relationship to cost objectives (grants, contracts, fundraising, services to members) cannot be shown or would be somewhat arbitrary in nature.



B. Applicable Credits

Applicable credits are amounts that offset or reduce allowable expense amounts allocable to grants and contracts as direct or indirect costs such as:

- Purchase discounts, rebates or allowances.
- Sales of scrap or incidental services.
- Adjustments of overpayment or erroneous charges.
- Amounts received from the federal government to finance organization activities or service operations.

SECTION III: OMB Circular A-122: Cost Allocation

Applicable credits are not grant related income; they are reductions or eliminations of expense items.

Example:

Grantee purchases equipment at a cost of \$6,000 and charges it to a grant. Grantee pays for equipment within 60 days and receives a 2% discount. The allowable cost of the equipment charged to the grant is only \$5,880.

**C. Indirect Cost Structure*****"WHY DOES AN ORGANIZATION NEED AN INDIRECT COST RATE?"***

There are several reasons necessitating indirect cost rates -- These include compliance with federal regulations, auditor documentation and management information.

Compliance With Federal Regulations:

(e.g. OMB Circular A-122; A-87) This results in the grantee recovering reimbursement from the Federal agencies for its fair share of indirect costs.

Documentation for Auditors:

This aids the auditors in conducting the single audit requirements (A-133) for indirect costs. See Section IV below.

Management Information:

This provides management with the total cost of operating Federal programs.

"WHAT DOES AN INDIRECT COST RATE ACCOMPLISH?"

The indirect cost rate provides an organization with a systematic allocation of indirect costs to benefiting programs in reasonable proportions to the benefits derived.

"DO I NEED AN INDIRECT COST RATE?"

Organizations that are funded by several sources and claim indirect cost reimbursement under Federal grants require an indirect cost rate; however, there are exceptions.

SECTION III: OMB Circular A-122: Cost Allocation

Organizations Exempt From Indirect Cost Rates:

- Single purpose organizations (usually funded 100% from a single source).
- Organizations that are capable of directly charging indirect costs to cost objectives in a consistent manner.
 - Must be able to document direct allocations in all cost categories.
 - Cost allocation plan must be prepared and may require the approval of the cognizant Federal agency.

OMB Circular A-122 allows for the use of several different computation methods for indirect cost rates. The most commonly used method is the simplified method:

Simplified -- single tier

- The simplified allocation method should be used when all of an organization's major functions benefit from its indirect costs to approximately the same degree. For example, all programs are similar in size and therefore use administrative support (i.e., secretary's salary) in similar proportions. This method should also be used when an organization has only one major function encompassing a number of individual projects or activities. In addition, organizations with a relatively small dollar amount of Federal awards may use this method provided the results are reasonable and equitable to the Government.
- The first step in calculating the indirect cost rate using the simplified method is to review all costs from the organization's audited financial statements and classify them as either direct or indirect. After making adjustments for any unallowable costs, a single rate is computed by dividing the indirect costs by the direct costs. The process is as follows:
 - Segregate all of the institution's activities (from both restricted and unrestricted funding sources) and their costs as either direct or indirect. Costs of activities performed primarily as a service to members, clients, or the general public, when significant and necessary to the organization's mission, are direct costs (regardless of whether these activities are allowable or unallowable). Unallowable activities cited in Attachment A, paragraphs B.3 and 4 of Circular A-122 (e.g., fund raising) must be classified as direct costs to be covered by other than government funds.
 - Eliminate capital expenditures and unallowable costs identified in Attachment B of Circular A-122. However, "unallowable activities" (Attachment A, paragraphs B.3 of Circular A-122) should not be eliminated but should be identified as direct costs. Appropriate adjustments for any *applicable credits* should be made in accordance with Attachment A, paragraph A.5.

OMB Circular A-122: Cost Allocation

- Compute the indirect cost rate by dividing the adjusted indirect costs by the rate base. The rate base may be total direct costs, direct salaries and wages or other base which results in an equitable distribution.

Other allocation methods include the multiple base method, direct method, and special/separate rates (i.e., off-site operations).

EXAMPLE: INDIRECT COST RATE CALCULATION

Indirect Cost	<u>\$156,000</u>
---------------	------------------

Direct Cost	
-------------	--

Salary and Wages (S&W)	443,500
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Other Direct costs	<u>126,500</u>
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Total Direct Cost (TDC)	<u>\$570,000</u>
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Indirect Cost Rate based on Total Direct Costs

<u>\$156,000</u>	
------------------	--

\$570,000 =	27.4% TDC
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- or -

Indirect Cost Rate based on Direct Salaries

<u>\$156,000</u>	
------------------	--

\$443,500 =	35.2% S&W
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D. Accounting for Labor

Time sheets reflecting the distribution of activities of each employee must be maintained for all staff whose time is charged in whole or in part directly to awards.

The time sheets must also be maintained for other employees whose work involves two or more indirect cost objectives.

SECTION III: OMB Circular A-122: Cost Allocation

Labor reported on these reports must be based on actual time expended, determined "after the fact" (including any overtime worked). Budget estimates determined before the fact are unacceptable. The time reports must be signed by the employee and the employee's supervisor. The reports must be completed monthly, must coincide with one or more pay periods, and must account for the total activity for which the employee is compensated.

Paychecks must not be issued without a signed timesheet which has also been approved by the employee's supervisor.

Personnel Policies and Records

The maintenance of adequate personnel records is essential.

All personnel transactions, from employment through termination, must be fully documented in order for the labor accounting system be complete.

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188

SECTION IV: Overview of OMB Circular A-133

In March 1990, OMB issued Circular A-133 *Audits of Institutions of Higher Education and Other Nonprofit Institutions*. The purposes of OMB Circular A-133 are the same as for OMB Circular A-128, but apply to nonprofit entities rather than to state and local governments. This new Circular constituted major audit reform to nonprofit entities.

OMB issued Circular A-133 to provide uniformity and consistency in audits of nonprofit institutions. The Circular establishes audit requirements for institutions of higher education and other nonprofit organizations. It also defines Federal, state, local, and nonprofit organizations' responsibilities for implementing, administering and monitoring these audit requirements.

The Circular was effective for audits for fiscal years that began on or after January 1, 1990.

The following sections outline the basic provisions of OMB Circular A-133. The authors of this manual believe that reading of OMB Circular A-133 is necessary for a more complete understanding.



A. Audit Thresholds

Not all nonprofit institutions that receive federal funding are required to have an audit made in accordance with of OMB Circular A-133. The Circular has set up thresholds which determine if an audit is required.

Nonprofit institutions that receive less than \$25,000 a year in federal awards:

- Exempt from Circular A-133 audit requirements. (records must be available for review by appropriate officials, if requested.)

Nonprofit institutions that receive either: (1) at least \$25,000 but less than \$100,000 a year in federal awards or (2) receive funds only under a single program are required to have either an:

- Audit made in accordance with Circular A-133, or
- Audit made of each award in accordance with federal laws and regulations governing the programs.

Nonprofit institutions that receive \$100,000 or more a year in federal awards and received rewards from more than one program are required to have an:

- Audit made in accordance with Circular A-133.

In addition to the audit thresholds described above, there are additional thresholds to determine which programs will be audited to ensure compliance with the Circular. Major programs are programs in which expenditures are the greater of \$100,000 or 3% of total federal expenditures. Major programs will always be audited. In certain situations, non-major programs may also be audited.

SECTION IV: Overview of OMB Circular A-133**B. Recipient Responsibilities**

Nonprofit institutions have specific responsibilities under the Circular A-133 including:

- Identifying in their accounts all federal awards received and expended and the programs under which they were received, both directly and indirectly.
- Preparing a Schedule of Federal Awards identifying each major program and total expenditures for each program, including major and non-major programs.
- Providing a report of its comments on the auditors' findings and recommendations, including a plan of corrective action taken or planned in response to findings, reportable conditions, and material weaknesses and related recommendations.
- If the nonprofit gives \$25,000 or more of its Federal funds during its fiscal year to a subrecipient they must also:
 - Ensure that any non-profit subrecipient has met the audit requirements of the Circular A-133, and any subrecipient that is a governmental entity and subject to OMB Circular A-128 has met the audit requirements of that Circular.
 - Ensure that appropriate corrective action is taken within six months after receipt of the subrecipient audit report in instances where there is noncompliance with federal laws and regulations.
 - Consider whether findings noted in the subrecipient audits require adjustment of the recipient's records.
 - Require each subrecipient to permit independent auditors to have access to the records and financial statements as necessary.
- Providing reports to the cognizant agency and the central clearinghouse. (The office of Multifamily Housing Programs requests that all of its grantees provide copies of their audit reports to their program officers in the HUD filed office.)

**C. Sanctions**

- Where proper audits have not been made, the federal agency can apply sanctions such as withholding a percentage of awards, withholding or disallowing overhead costs, or suspending the award.

SECTION IV: Overview of OMB Circular A-133



D. Allowable Costs

- All costs charged to federal programs must be made in accordance with Circular A-122, CFR Part 84, Federal Acquisition Regulation or other applicable cost principles or regulations.



E. Internal Control Over Federal Programs

All non-profit institutions receiving Federal funds must have an appropriate internal control system in place. Several of the reports issued by the independent auditors relate to the institution's internal control system and whether the institution is managing federal awards in compliance with applicable laws, regulations and contracts and that it properly safeguards federal funds.

The internal control structure policies and procedures must be developed to provide reasonable assurance that:

- Costs incurred are consistent with laws, regulations, and award terms;
- Resources are safeguarded against waste, loss and misuse, and;
- Reliable data are obtained, maintained, and fairly disclosed in reports.



F. Reporting Requirements

Circular A-133 requires the auditor to issue the following reports at the completion of their audit:

- Independent Auditor's Report
- Financial Statements
- Independent Auditor's Report On Schedule Of Federal Awards
- Schedule Of Federal Awards
- Independent Auditor's Report On Internal Control Structure In Accordance With Government Auditing Standards
- Independent Auditor's Report On Internal Control Structure Used In Administering Federal Awards

SECTION IV. Overview of OMB Circular A-133

- Independent Auditor's Report On Compliance With Laws, Regulations, Contracts And Grants Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards
- Independent Auditor's Report On Compliance With Specific Requirements Applicable To Major Programs
- Independent Auditor's Report On Compliance With Specific Requirements Applicable To Non-Major Programs
- Independent Auditor's Report On Compliance With The General Requirements
- Schedule Of Findings And Questioned Costs

Recipients or subrecipients of more than \$100,000 in awards received directly or indirectly, must submit one copy of the audit reports within 30 days after issuance, to:



**Federal Audit Clearinghouse
 Bureau of the Census
 E. 10th Street
 Jeffersonville, Indiana 47132**

Recipients should keep the audit reports, including any subrecipient reports, on file for three years from the date of issuance.



G. Selecting an Auditor

An independent auditor plays an important role in the administration of OMB Circular A-133. Besides the reporting required, the auditor should be able to help the recipient with the implementation and monitoring of an internal control system. There are some basic guidelines to use when selecting an auditor as follows:

1. Auditor Qualifications

A qualified auditor should, at a minimum:

- Participate in peer review. The AICPA recommends that auditing firms undergo an evaluation of its quality control system by an outside firm. The outside firm, the peer reviewer, issues a report on the quality control system of the auditing firm. An unqualified opinion is the best and what your institution should require.

SECTION IV: Overview of OMB Circular A-133

Maintain malpractice insurance. The insurance should cover liability, and errors and omissions.

- Have experiences with and knowledge of OMB Circular A-133. The auditor should provide references from other, similar nonprofit organizations that are subject to Circular A-133 audit requirements. In addition, each member of the audit team should meet required continuing professional education on government auditing.

2. Requests for Proposals

Now that you know what type of auditor you want, you have to find them. The best way to screen potential auditors is through Requests for Proposals (RFPs). A good RFP will obtain the above information and any specific requirements of the nonprofit institution (Appendix E includes a sample RFP).

3. Evaluating Proposals

After receiving proposals, the nonprofit institution needs to screen the auditors for the top 2 or 3 firms in which to interview. The following are some general guidelines used for screening proposals:

- Does the auditor meet the minimum requirements?
- Was the feedback from the references positive?
- Did the auditor address all of the points in the RFP?
- Was the proposal organized and well written?



H. Proposed Changes

Currently the OMB is in the process of revising and reissuing Circular A-133. The proposed changes involve significant differences from the current requirements of A-133. The significant proposed changes are outlined below.

1. Increased Audit Threshold

The proposed revision would raise the threshold from \$25,000 to \$300,000 of receipts in a given year, with no audit requirements below \$300,000.

2. Major Program Determination

Under this proposal, major programs will be determined based on a risk assessment considering:

- Prior audit experience,
- Oversight performed by federal agencies and others, and
- The inherent risk of the federal program.

3. Required Level Of Internal Control Testing

The Circular proposes that the auditor perform additional procedures to obtain an understanding of the internal control structure over federal programs to reduce the control risk for major programs.

4. Modified Reporting Requirements

The proposed Circular combines some of the reporting requirements which reduces the number of reports that need to be issued by the auditor.

5. Report Submission

Under this proposal the due date is shortened for submitting reports required by this circular from 13 months to nine months. However, the provision for a cognizant or oversight agency to grant an extension is retained.

INSPECTION NOTICE

NAME: L. Brown

UNIT: 810-F

DEAR Mr. Brown:

A UNIT INSPECTION HAS BEEN SCHEDULE FOR YOUR UNIT ON May 13, 1994
BETWEEN THE HOURS OF 2:30 P.M AND 3:30 P.M.

IF FOR SOME REASON THIS WILL BE OF INCONVENIENCE TO YOU, PLEASE
CALL THE OFFICE SO THAT WE MY RESCHEDULE YOU UNIT INSPECTION.

SINCERELY,

Sheri G

SHERI GAFFNEY
OCCUPANCY CLERK

INSPECTION.LTR

Friendship Village, Inc.

May 24, 1995

Dear Friendship Village Resident,

Friendship Village One and Two have been identified by HUD to participate in a Comprehensive Needs Assessment (CNA), which HUD will use to inform itself and Congress of the condition of assisted multifamily housing properties throughout the United States.

Enclosed is a Unit Survey form. It is important to the Comprehensive Needs Assessment that each resident (Head of Household) fill out this unit survey and return it to the rental office as soon as possible, and no later than Thursday, June 1, 1995.

UNIT SURVEYS MUST BE COMPLETED BY THE RESIDENT. The information you provide will be kept confidential.

Thank you.

W. L. SCOTT & ASSOCIATES, INC.
Managing Agent

Friendship Village, Inc.

DATE: JANUARY 30, 1995

TO: ALL TENANTS

FM: SHERI GAFFNEY
OCCUPANCY CLERK

RE: FIRE EXTINGUISHES

To be in compliance with HUD regulations once every year fire extinguishes must be inspected and serviced.

On February 7, 1995 ABC Fire Inc. will be here to service our fire extinguisher. Please bring your extinguisher into the office by Monday February 6, 1995.

If you have any questions, please feel free to call the office. Thanking you in advance for your cooperation .

OWNER'S CERTIFICATION OF COMPLIANCE
WITH HUD'S TENANT ELIGIBILITY
AND RENT PROCEDURES

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB No. 2502-0204 (Exp. 3-31-87)

Part I - GENERAL INFORMATION

1. Effective Date 03/01/94 2. Move-In Date 06/26/89 6a. Action 4=ANNUAL RECERTIFICATION 7a. Type of Subsidy 1=SECTION 8
3. Project Name FRIENDSHIP VILLAGE TWO 6b. Action 7b. Is this the type of subsidy the
Family is now receiving? YES
4. Project No. 12144075 5. Sec. 8 No. CA39M000185
8a. Date 8b. Was Head or Spouse 8c. Has Family received 9a. Race 9b. Ethnicity 10. Previous 11. Displace- 12. Preference
Code age 62 or older at Section 8 continuously of Head of Head Housing Code ment Code Code
time of conversion? since being converted?
2 2

Part II - HOUSEHOLD COMPOSITION

13. Fam. Mbr.	14. Last Name	14b. First Name	14c. MI	15. Relationship	16. Sex	17. Date of Birth	18. Age	19. Spec Status	20. S.S. or Alien Reg. Code	21. Elig Code	22. Place of Birth	23. Occupation
HEAD	BROWN	LEE		HEAD OF HOUSE	M	05/28/21	72	E	466109205		LOUISIANA	N/A
2												
3												
4												
5												
6												
7												
8												
9												

24a.No. of Family Members: 1 25.No. of Dependents: 0
24b.No. of Foster Children & Attendants: 0

Part III - FAMILY ASSETS AND INCOME

Part IV - ALLOWANCES AND ADJUSTED INCOME

Part VI - FAMILY RENT AND SUBSIDY INFO

26a. Type of Assets	26b. C/I	26c. Amount of Assets	26d. Actual Income	36. Allowance for Dependents	37. Child Care Allowance	38. 3% of Annual Income	39a. Total Handicap Expenses	39b. Allowances for Handicap	40a. Total Medical Expenses	40b. Allowance for Medical	41. Elderly Allowance	42. Total Allowances	43. Adjusted Income	44. Contract Rent	45. Utility Allowance	46. Gross Rent	47. Welfare Rent	48. HCDA Percentage	49. HUD Worksheet Suffix	50. Total Tenant Payment	51. Tenant Rent	52. Utility Reimbursement	53. Assistance Payment	54. % Adjusted Income	55. Did Rent Limitations affect Rent? NO
CHECKING ACCOUNTS	C	0	0	0	0	220	0	0	0	0	400	400	6933	473	26	499	0	30%	e	173	147		326	30.00	
SAVINGS ACCOUNTS	C	42	1																						
SAVINGS BONDS	C	0	0																						
STOCKS	C	0	0																						
REAL ESTATE	C	0	0																						
IMPUTED ASSETS	I	0	0																						
26e. TOTALS:		42	1																						
27. Imputed - Rate 3.20% X		42	= \$	N/A																					

Part V - PROJECT RENT INFORMATION

56. Next Recert Effective Date 03/01/95

57. Number of Bedrooms 0

58. Building ID Code

59. Unit Number 810 F

59. Street Number and Name: 810 FULTON APT. F

Part VIII - CERTIFICATIONS - SIGN ONLY AFTER READING THE
STATEMENT THAT APPLIES TO YOU ON THE COVER FLAP.

28f. Total 0 7332 0 0
29. Income except Assets 7332 33. Universe Post-1981
30. Income from Assets 1 34. Status Very Low
31. Annual Income 7333 35a. Did tenant begin
32a. Lower Limit 27800 receiving Section 8
b. Very Low 20450 on or after 7/1/84?
Exception Code

Head of Household

Date

Lee Brown

2-8-94

Spouse / Co-Head

Date

Owner / Agent

Date

Yvonne Sanders

2-8-94

02/08/94

UNIT 810 F

RECERTIFICATION SOURCE LISTING

PAGE 1

ASSET AMOUNT % INCOME \$ INCOME TYPE DESCRIPTION

1 42.04 2.00% 0.84 S

*** Family Member HEAD LEE BROWN

SOCIAL SECURITY / PENSIONS

(1) 611.00 Monthly

* ASSET TOTALS * AMOUNT \$ INCOME

CHECKING	0	0
SAVINGS	42	1
BONDS	0	0
STOCKS	0	0
REAL ESTATE	0	0
IMPUTED	0	0

TOTALS 42 1

TOTAL WAGES	0
TOTAL PENSIONS	7332
TOTAL PUBLIC	0
TOTAL OTHER	0

TOTAL LESS ASSETS 7332

TOTAL MEDICAL	0
TOTAL CHILD CARE	0
TOTAL HANDICAPPED	0

READ THIS BEFORE YOU COMPLETE AND SIGN THIS FORM HUD-50059.

PRIVACY ACT NOTICE STATEMENT - The information on this form is being collected by the Department of Housing and Urban Development (HUD) to determine an applicant's eligibility; the recommended unit size; and the amount the tenant(s) must pay toward rent and utilities. It will be used to manage the programs covered by this form; to protect the Government's financial interest; and to verify the accuracy of the information furnished. It may be released to appropriate Federal, State and local agencies when relevant, to civil, criminal or regulatory investigators and prosecutors. It is mandatory to provide Social Security numbers. Failure to provide any information may result in a delay or rejection of your eligibility approval. The Department is authorized to ask for this information by the U.S. Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.); The Housing and Urban-Rural Recovery Act of 1983 (P.L.98-181); and the Housing and Community Development Technical Amendments of 1984 (P.L. 98-479).

TENANT(S)' CERTIFICATION - I/We certify that the information in Parts II, III and IV of this Form are true and complete to the best of my/our knowledge and belief. I/We understand that I/we can be fined up to \$10,000, or imprisoned up to five years, or lose the subsidy HUD pays and have my/our rent increased, if I/we furnish false or incomplete information.

OWNER'S CERTIFICATION -- I certify that this Tenant's eligibility, rent and assistance payment have been computed in accordance with HUD's regulations and administrative procedures and that all required verifications were obtained.

WARNING TO OWNERS AND TENANTS - By signing in Part VIII of this Form, you are indicating that you have read the above Privacy Act Notice and are agreeing with the applicable Certification.

PUBLIC REPORTING BURDEN - The reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2502-0204), Washington, D.C. 20503.

CERTIFICATION OF ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE.

I/We have ___ / have not ___ disposed of any asset(s) for less than fair market value in the (24 months) preceding 03/01/94.

If asset(s) were disposed of for less than fair market value, describe below.

Asset Disposed of	Date of Disposition	Fair Market Value	Amount Received

Warning: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make any willful false statements or misrepresentations to any Department or Agency of the U.S. as to any matter within its jurisdiction.

Lee Brown
Signature of applicant

2-8-94
Date

Friendship Village, Inc.

COPY

September 13, 1993

TO: ALL RESIDENTS

FROM: MANAGEMENT

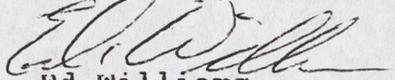
REF: PARKING

Please be advised that effective September 20, 1993, all vehicles found to be in violation of City, County, State or Friendship Village regulations will be towed by security. All vehicles without authorization must park outside of the complex.

Please come to the office immediately to register your vehicle if you have not already done so, or it will be towed. Also vehicles parked on the complex grounds must remain in current operating condition. Nonoperable vehicles or ones leaking oil or transmission fluid must be parked off the premises. These vehicles will also be removed at the owner's expense.

If there are any questions please call the office.

Sincerely,



Ed Williams
Manager

Friendship Village, Inc.

40 FRIENDSHIP STREET
SAN FRANCISCO, CA 94117
(415) 921-2002

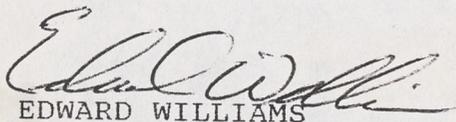
March 25, 1992

TO: A L L T E N A N T S
FRIENDSHIP VILLAGE ONE & TWO

ON FRIDAY MARCH 27, 1992 BEGINNING AT 9:00 A.M. OLIVER BROS.
GLASS & FRAME COMPANY WILL BE MEASURING FOR WINDOW FRAMES AND
WINDOW SCREENS.

ANY QUESTIONS, PLEASE CALL THE OFFICE 921-2002.

SINCERELY,



EDWARD WILLIAMS
PROPERTY MANAGER

Friendship Village, Inc.

40 FRIENDSHIP STREET
SAN FRANCISCO, CA 94117
(415) 921-2002

March 25, 1992

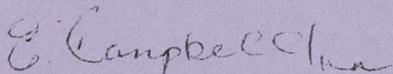
T E N A N T A S S O C I A T I O N

TO: A L L T E N A N T S
FRIENDSHIP VILLAGE ONE & TWO

ON FRIDAY MARCH 27, 1992 AT 7:00 P.M. CPT. HENDRICKS FROM THE SAN FRANCISCO POLICE DEPARTMENT NORTHERN STATION AND MR. WALTER L. SCOTT II, MANAGING AGENT FRIENDSHIP VILLAGE APARTMENTS WILL BE IN ATTENDANCE AT THE TENANT ASSOCIATION MEETING.

THE MEETING WILL BE HELD AT 1165 MCALLISTER STREET APT. B.

SINCERELY,



ELVILLA CAMPBELL
PRESIDENT
TENANT ASSOCIATION

Lee Brown
P.O.Box 1031
S.F.,Ca. 94101
August 13, 1990

Senator Pete Wilson
720 Senate Hart Office Building
Washington,D.C. 20510

Dear Senator Wilson:

I, Lee Brown, am a tenant living in a building named Friendship Village in San Francisco, at 810 Fulton St. I've been there over three years. I'm over 69 years of age. I'm a member of Local 2 Retirees' Assc., 2nd vice-president and a member of the Advisory Committee of the Legal Assistance of the Elderly in San Francisco and the S.F. Coalition of Low-Income Housing and also a member of the St. Mary Housing Committee and also a member of the S.F. Tenants' Union and the National Council And Center On Black Aged, Inc. and the N.A.A.C.P. I'm also a member of Local 2 - Hotel and Restaurant Employees' Union. And lastly, I'm also a member of the Federation Retiree Union Member in S.F.

I am very glad that you are sponsoring Bill 566⁺the National Affordable Housing Act. I wish you much success in the struggle to help the homeless and to save Section 8.

I have lived in S.F. over 30 years and I've also been a registered voter in California under the Roosevelt Administration. The houses I've lived in have never been a decent or healthy place to live. And now under the 3 years I've been on Section 8, this is the only decent place I've been able to live in under Section 8 and that's why I'm very much concerned and am asking your help to save Sec. 8.

I'm not a healthy person and I need a decent and healthy place to live and that's why I'm asking you to continue fighting and I will remain with you in the struggle.

Sincerely,

Lee Brown

Lee Brown