APPENDIX A

RFP SAMPLE CONTRACT

CONTRACT BY AND BETWEEN

COUNTY OF LOS ANGELES
COMMUNITY AND SENIOR SERVICES

AND

_____

ENTITLED

WORKFORCE INVESTMENT ACT (WIA) TITLE I ADULT AND DISLOCATED WORKER INTEGRATED SERVICES PROGRAM

CONTRACT NUMBER _____

CONTRACT PERIOD JULY 1, 2014 – JUNE 30, 2016

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UNIQUE EXHIBITS

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Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program)

Exhibit R (Contract Management System - Contractor's Gateway Terms and Conditions of Use)

Exhibit S (Program Cumulative Performance and Financial Goals)

RECITALS

This Contract, which includes its Exhibits, is made and entered into this ___ day of ___ by and between the parties below:

County of Los Angeles
Community and Senior Services
(hereafter "County")

County's Business Address:
3175 West Sixth Street
Los Angeles, Ca 90020

and

[@ Supplier Name @]
(hereafter "Contractor")

Contractor's Business Address:
[@ Supplier Address Line1 @]
[@ Supplier City @], Ca [@ Supplier Zip Code @]

WHEREAS, pursuant to the California Government Code Section 26227, County is permitted to contract for services; and

WHEREAS, the Workforce Investment Act of 1998 [Title I (Workforce Investment Systems), Subtitle B (Statewide and Local Workforce Investment Systems), Chapter 5 (Adult and Dislocated Worker Employment and Training Activities)] authorizes the use of designated Federal funds to provide comprehensive workforce development, training and employment services to adults and dislocated workers (hereafter "Services"); and

WHEREAS, County and State of California Employment Development Department (hereafter "State") have entered into an agreement whereby County shall receive WIA Title I Subtitle B Chapter 5 funding to implement the Workforce Investment Act (WIA) Adult and Dislocated Worker Integrated Services Program (hereafter "Program") and provide Services to Clients, as defined in Exhibit A (Statement of Work); and

WHEREAS, County shall oversee implementation of these Services within its jurisdictional boundaries and County has determined to procure and enter into an agreement with an organization(s) that shall provide these Services in accordance with the WIA, regulations, directives and Program guidelines thereto promulgated by both County and State; and

WHEREAS, Contractor warrants that it possesses the competence, expertise and personnel necessary to provide such Services; and

WHEREAS, Contractor shall establish and implement written administrative, management and personnel policies and procedures to govern the management and administration of the Program in order to ensure that all goals and objectives are achieved as contracted; and

WHEREAS, on [Board Date], the Los Angeles County Board of Supervisors authorized the Director of

the County of Los Angeles Community and Senior Services (hereafter "County's Department Head") or his/her designee to enter, execute and administer this [@ Program Name @] Contract;

NOW therefore, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto agree as follows:

1.0 APPLICABLE DOCUMENTS

1.1 Exhibits A, B, C, D, E, F, G, H, I, J, K, L, M, N, 0, P (intentionally omitted), Q, R and S are attached to and form a part of this Contract. This Contract and the Exhibits (hereafter "this Contract") constitute the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Paragraph 8.1 (Amendments) and signed by both parties.

1.2 Contractor's Proposal submitted in response to the [@ Program Name @] Request for Proposals (RFP) is incorporated and made part of this Contract. Contractor's misrepresentation of any required element in its Proposal submitted in response to the RFP shall be considered an event of default and this Contract may be terminated in whole or in part pursuant to available remedies provided in Paragraph 8.43 (Termination for Default).

1.3 The headings, page numbers, Paragraph and Sub-paragraph numbers contained in this Contract are for convenience and reference only and are not intended to define the scope of any provision herein.

1.4 References in this Contract to Federal, State, County and/or other governmental laws, rules, regulations, ordinances, guidelines and/or directives shall mean such laws, rules, regulations, ordinances, guidelines and/or directives as amended from time to time.

1.5 Unless expressly stated otherwise, all approvals, consents and determinations made by or on behalf of County, under this Contract, shall be in writing, and shall be given or made in the sole discretion of the person or County agency authorized to provide such approval or consent.

1.6 In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, Service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to this Contract and then to the Exhibits according to the following priority:

1.6.1 Exhibit A (Statement of Work)

1.6.2 Exhibit J (Definitions)

1.6.3 Exhibit B (Budget)

1.6.4 Exhibit C (Workforce Investment Act Cash Management Policy)

1.6.5 Exhibit S (Program Cumulative Performance and Financial Goals)

1.6.6 Exhibit G (Contractor Acknowledgement and Confidentiality Agreement)

1.6.7 Exhibit K (Accounting, Administration and Reporting Requirements)

1.6.8 Exhibit M (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies)

1.6.9 Exhibit R (Contract Management System - Contractor's Gateway Terms and Conditions of Use)

1.6.10 Exhibit E (County's Administration)

1.6.11 Exhibit F (Contractor's Administration)

1.6.12 Exhibit H (Contractor Employee Jury Service)

1.6.13 Exhibit D (Contractor's Equal Employment Opportunity Certification)

1.6.14 Exhibit I (Safely Surrendered Baby Law Fact Sheet)

1.6.15 Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program)

1.6.16 Exhibit L (Joint Funding Revenue Disclosure)

1.6.17 Exhibit N (Inventory Control Form)

1.6.18 Exhibit O (Charitable Contributions Certification)

1.6.19 Exhibit P (Intentionally Omitted)

2.0 DEFINITIONS AND HEADINGS

2.1 The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. Exhibit J (Definitions) provides the meaning of key words used herein. These definitions shall be construed to have the meaning provided, unless otherwise apparent from the context in which they are used, or specifically noted herein.

3.0 WORK

3.1 Pursuant to the provisions of this Contract, Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, Services and other work as set forth herein.

3.2 If Contractor provides any tasks, deliverables, goods, Services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of Contractor, and Contractor shall have no claim whatsoever against County.

3.3 In the performance of this Contract, Contractor shall comply with the following (which may be amended, modified or revised from time to time by County and/or other funding authorities): all terms and conditions of this Contract (including all terms contained in the Exhibits hereto) as well as those imposed

and required by County and/or other funding authorities; all Program provisions; implementing regulations; grant requirements; and, all relevant rules and policies.

3.4 Time is of the essence in the provision and completion of the Work provided to County as stipulated in this Contract, as is the timely conveyance of reporting deliverables to County, as also stipulated in this Contract.

3.5 County expects Contractor to fully provide Services commencing on July 1, 2014, the Contract Start Date, pursuant to Paragraph 4.0 (Term of Contract). In the event that Contractor is unable to begin providing Services by the Contract Start Date, Contractor shall notify County's Contract Manager in writing within thirty (30) calendar days of the Contract Start Date and shall specify those Service(s) that Contractor may not be able to provide as of this Date. Recognizing that time is of the essence in providing Services, Contractor shall take all reasonable efforts to begin providing those Services it is able to provide by the Contract Start Date. At County's sole discretion, County may allow Contractor a Start-up Transition Period during which Contractor will be allowed to fully implement all Services. Contractor acknowledges that regardless of the approved Start-up Transition Period, full implementation of all Services must begin within 120 days of the Contract Start Date. In the event that unforeseen circumstances prevent Contractor from fully implementing all Services before the end of the approved Start-up Transition Period, Contractor may submit a written request to County's Contract Manager to extend the approved Start-up Transition Period. Such request shall detail the unforeseen circumstances and it shall be submitted to County's Contract Manager at least thirty (30) days before the end of the approved Start-up Transition Period. Upon review of Contractor's written request, County may in its sole discretion extend the Start-up Transition Period on a case-by-case basis.

3.6 In the event that County approves the Start-up Transition Period for Contractor, Contractor shall document its progress in implementing those Services which are not fully implemented by the Contract Start Date (hereafter "Transition Services"). As such, Contractor shall prepare a detailed written progress report on the actions being taken by Contractor to fully implement the Transition Services during the Start-up Transition Period and such written progress report shall be completed in the form and manner as designated by County. The written progress report shall be submitted to County's Contract Manager on a weekly basis or as directed by County. County acknowledges that the Start-up Transition Period and any extensions thereto will be not be factored into the review period thresholds identified in Exhibit A (Statement of Work) as it relates to the Transition Services, provided that Contractor continues to accurately prepare and timely submit the required written progress report to County's Contract Manager and, Contractor continues to demonstrate that it is making reasonable efforts to begin providing Transition Services. Contractor's failure to comply with the requirements outlined herein shall subject Contractor to remedies which are available under this Contract and as provided by law; such remedies shall be determined by County at its sole discretion.

4.0 TERM OF CONTRACT

4.1 The term of this Contract shall be two (2) years commencing on July 1, 2014, upon execution by the parties, and shall continue through June 30, 2016, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 Following the initial term as set forth in Paragraph 4.1 above, County shall

have the sole option to extend the Contract term for up to three (3) additional one-year periods for a maximum total Contract term of five (5) years. Each such option and extension shall be exercised at the sole discretion of County's Department Head or his/her designee as authorized by the Board of Supervisors.

4.3 County maintains databases that track/monitor Contractor's performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise a Contract term extension option.

4.4 Contractor shall notify County when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to County's Contract Manager at the address herein provided in Exhibit E (County's Administration).

5.0 CONTRACT SUM

5.1 Cost Reimbursement Contract

5.1.1 County and Contractor agree that this is a cost reimbursement Contract. County shall compensate Contractor for supplying the Services as set forth in Exhibit A (Statement of Work) and Exhibit B (Budget).

5.2 Funding Allocations

5.2.1 **Maximum Contract Sum**

5.2.1.1 During the term of this Contract, Contractor shall receive funding for providing the Services outlined in this Contract (hereafter "Contract Funds"). Contract Funds shall be allocated to Contractor on an annual basis for each Fiscal Year (hereafter "Maximum Annual Contract Sum"). The Maximum Annual Contract Sum for the first Fiscal Year of this Contract is **$[@ Year 1 Annual Sum @]**. The Maximum Annual Contract Sum for each Fiscal Year following the first Fiscal Year is projected to remain at the level of **$[@ Year 1 Annual Sum @]**. The combined total of all Maximum Annual Contract Sums to be allocated during the term of this Contract is estimated to be **$[@ Maximum Contract Sum @]** (hereafter "Maximum Contract Sum"). Contractor acknowledges that both the projected funding for each year after the first year and the projected combined total of all Maximum Annual Contract Sums are estimates only.

5.2.1.2 Pursuant to Paragraph 8.1 (Amendments), County may amend this Contract upon occurrence of any changes to the Contract Funds. Future allocations of Contract Funds will be contingent upon the availability and appropriation of funds from Federal, State and/or local authorities and may be subsequently adjusted to reflect available funding.

5.2.2 **Year 1 Maximum Annual Contract Sum Funding Source(s)**

5.2.2.1 The Maximum Annual Contract Sum for the first

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

5.2.2.2 WIA Title I Subtitle B Chapter 5 Adult Program funds: **$[@ Year 1 Annual Sum (WIA Adult) @]**

5.2.2.3 WIA Title I Subtitle B Chapter 5 Dislocated Worker Program funds: **$[@ Year 1 Annual Sum (WIA DW) @]**

5.3 Catalog of Federal Domestic Assistance (CFDA) Program Number(s)

5.3.1 Contract Funds, either in whole or in part, are identified as Federal monies. These Federal monies have been assigned a CFDA program number, and as such, a Federal Grantor office has been assigned to provide oversight and administration for these monies. When Contractor and its subcontractor(s), if any, are being audited by an independent auditor, Contractor shall provide the independent auditor the information outlined herein as it pertains to these Federal monies.

5.3.2 **CFDA Program Number(s) and Federal Grantor Funding Source(s)**

5.3.2.1 The CFDA program number for the WIA Title I Subtitle B Chapter 5 Adult Program portion of the Contract Funds is **17.258 - WIA Adult Program**. The Federal Grantor funding source for these Contract Funds is the **United States Department of Labor, Employment Training Administration**.

5.3.2.2 The CFDA program number for the WIA Title I Subtitle B Chapter 5 Dislocated Worker Program portion of the Contract Funds is **17.260 - WIA Dislocated Worker Program**. The Federal Grantor funding source for these Contract Funds is the **United States Department of Labor, Employment Training Administration**.

5.4 Assumption or Takeover

5.4.1 Contractor shall not be entitled to payment or reimbursement for any tasks or Services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with County's express prior written approval.

5.5 Limitations on Use of Contract Funds

5.5.1 Contract Funds may only be used for the purposes set forth

herein, and must be consistent with the statutory authority for the Program.

5.5.2 Expenditures made by Contractor in the operation of this Contract shall be in compliance and in conformity with applicable Federal Office of Management and Budget (OMB) Circulars as well as applicable provisions of the Code of Federal Regulations (CFRs). Contractor shall comply with the Administrative Requirements and Cost Principles which are outlined in Exhibit K (Accounting, Administration and Reporting Requirements), and shall adhere to the strict administrative and fiscal standards described therein. Contractor shall comply with the following requirements (as applicable to Contractor's organization): cost principles outlined in OMB Circular A-21 (relocated to 2 CFR 220), OMB Circular A-87 (relocated to 2 CFR 225), OMB Circular A-122 (relocated to 2 CFR 230), 48 CFR 31 or 45 CFR 74 Appendix E; administrative requirements outlined in OMB Circular A-102, OMB Circular A-110 (relocated to 2 CFR 215), 29 CFR 95 or 29 CFR 97; and, audit requirements outlined in OMB Circular A-133. Contractor shall be responsible for obtaining the most recent version of these OMB Circulars and CFRs, which are available via the Internet at http://www.whitehouse.gov/omb/circulars/index.html.

5.5.3 **Limitations on Contract Sums**

5.5.3.1 Contractor shall not be paid for any Contract expenditures that exceed the Maximum Contract Sum. County has no obligation, whatsoever, to pay for any expenditures that exceed the Maximum Contract Sum. Any expenditures that exceed the Maximum Contract Sum shall become the sole fiscal responsibility of Contractor.

5.5.3.2 Contractor shall not be paid for any Contract expenditures that exceed the Maximum Annual Contract Sum. County has no obligation, whatsoever, to pay for any expenditures that exceed the Maximum Annual Contract Sum. Any expenditures that exceed the Maximum Annual Contract Sum shall become the sole fiscal responsibility of Contractor. Contractor shall only expend Contract Funds during the Fiscal Year or Program Year for which it is allocated. When Contractor does not expend funding up to the Maximum Annual Contract Sum appropriated for the Fiscal Year or Program Year, that unspent amount will not carry forward (or roll-over) to the following Fiscal Year or Program Year.

5.5.4 **Prohibitions on Contract Funds**

5.5.4.1 Contractor shall comply with Public Law (PL) 101-121 (31 USC 1352), its amendments or revisions, and any implementing regulations, prohibiting the use of Federal money to influence or attempt to influence a member of Congress, Congressional staff, or a Federal employee to award, make or amend any Federal contract, grant,

loan or cooperative agreement. Contractor shall also comply with all certification and disclosure requirements of PL 101-121, its amendments, revisions, and implementing regulations, and shall provide assurance that all subcontractors or sub-grantees under this Contract also fully comply with such certification and disclosure requirements.

5.5.4.2 No materials, property, or Services contributed to County or Contractor under this Contract shall be used in the performance of any of the following: any political activity; the election of any candidate or the defeat of any candidate for public office; and, no materials, property, or Services contributed to County or Contractor under this Contract shall be used for the transportation of any voters or prospective voters to polls or other similar assistance in connection with an election or any voter registration activity.

5.5.4.3 Contract Funds may not be used for matching funds for any Federal, State, County or local grants/cooperative agreements, lobbying or intervention in Federal regulatory or adjudicatory proceedings.

5.5.4.4 Contract Funds may not be used to sue the Federal government or any other government entity.

5.5.4.5 Pre-award costs are not an allowable use for Contract Funds.

5.6 75% of Contract Authorization

5.6.1 Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the total Contract authorization under this Contract (the Maximum Annual Contract Sum and the Maximum Contract Sum). Upon occurrence of this event, Contractor shall send written notification to County's Contract Manager at the address herein provided in Exhibit E (County's Administration).

5.7 No Payment for Services Provided Following Expiration or Termination of Contract

5.7.1 Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any Service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment, it shall immediately notify County's Contract Manager and shall immediately repay all such funds to County. Payment by County for Services rendered after expiration or termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

5.8 Other Contracts

5.8.1 Contractor shall immediately notify County's Contract Manager in writing of any contracts between Contractor and other public or private organizations which directly impact activities funded under this Contract. A copy of any such contracts shall be kept on file at Contractor's offices and shall be provided to County upon request. Contractor shall also immediately notify County's Contract Manager in writing of any default, termination, or finding of withheld payments under such contracts between Contractor and other public or private organizations which directly impact activities funded under this Contract.

5.8.2 Contractor warrants that no other funding source will be billed for Services that are provided to and paid for by County under this Contract.

5.9 Joint Funding Revenues

5.9.1 Funds made available under this Contract shall supplement and not supplant any other Federal, State or local funds expended by Contractor to provide Program Services. Contractor certifies that it has applied, or expects to apply, to offset in whole or in part, any of the costs incurred by Contractor in conducting current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Contract. To this end, Contractor shall complete Exhibit L (Joint Funding Revenue Disclosure) prior to the commencement of this Contract (and annually thereafter). Contractor shall submit the completed Exhibit L (Joint Funding Revenue Disclosure) to County's Contract Manager in the time and manner as designated by County.

5.10 Invoices and Payments

5.10.1 Contractor shall invoice County only for providing the tasks, deliverables, goods, Services, and other work specified in Exhibit A (Statement of Work) and elsewhere hereunder. Contractor shall prepare invoices, which shall include the charges owed to Contractor by County under the terms of this Contract. Payments to Contractor shall be based on the information provided by Contractor as established in Exhibit B (Budget), and Contractor shall be paid only for the tasks, deliverables, goods, Services, budgeted items and other work approved in writing by County. If County does not approve the Work in writing, no payment shall be due to Contractor for that Work.

5.10.2 Contractor's invoices shall be priced in accordance with the information provided in Exhibit B (Budget).

5.10.3 Contractor's invoices shall contain the information set forth in Exhibit A (Statement of Work) and Exhibit B (Budget), describing the tasks, deliverables, goods, Services, Work hours, budgeted items and facility and/or other work for which payment is claimed.

5.10.4 **Submission of Invoices**

5.10.4.1 Contractor shall adhere to the requirements of the Cash Management System as outlined in Exhibit C (Workforce Investment Act Cash Management Policy) in order to prepare and submit invoices.

5.10.4.2 Contractor shall submit an invoice for each month of Service as directed above and invoices shall be submitted in chronological order (e.g., July, August, September, etc.). For example, Contractor shall not submit the September invoice unless the August invoice was previously submitted by the 10th calendar day following the month of August. County will not be under any obligation to pay any invoice that is submitted out of chronological order until Contractor takes the appropriate measures to adhere to these requirements.

5.10.4.3 When Contractor does not incur any expenditures for the month of Service, Contractor shall prepare an invoice as directed by County so that the invoice reflects zero ($0) expenditures. Contractor shall submit the invoice according to the procedures outlined herein and as further directed by County.

5.10.4.4 Contractor shall submit to County all invoices for Contractor's Work performed under the requirements of this Contract. Contractor shall prepare and submit invoices in the form and manner as directed by County. Any invoice which does not adhere to County's requirements may be rejected at County's sole discretion.

5.10.4.5 Contractor is responsible for the accuracy of invoices submitted to County. Contractor shall reconcile its invoices and correct inaccuracies or inconsistencies in the invoices it submits to County. Contractor and County agree as follows:

5.10.4.5.1 When County or its designee discovers that Contractor has been overpaid, County will send Contractor written notification to request return of the overpayment. Overpayment includes, but is not limited to, payment(s) made to Contractor that exceeds either the Maximum Annual Contract Sum or the Maximum Contract Sum. Contractor shall return such overpayment to County within thirty (30) days of receiving County's written notification.

5.10.4.5.2 When Contractor receives or discovers any overpayment from County, Contractor shall immediately notify County's Contract Manager in writing of such overpayment. Contractor shall immediately return such overpayment to County's Contract Manager within thirty (30) days of receiving or discovering the overpayment.

5.10.4.5.3 At County's sole election, overpayment made to Contractor may be used to offset future payments due Contractor.

5.10.4.6 Contractor shall submit a complete, accurate, verifiable and timely invoice for each month of Service in addition to a complete, accurate and timely final year-end invoice as directed above. Contractor's failure to comply with these requirements may result in delayed processing of payment(s). Contractor's continued non-compliance may result in probation, suspension or other remedy which County may impose at its sole discretion.

5.10.5 **County Approval of Invoices**

5.10.5.1 All invoices submitted by Contractor for payment must have the written approval of County's Contract Manager or designee prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

5.10.6 **Payments to Contractor**

5.10.6.1 Intentionally Omitted

5.10.6.2 Intentionally Omitted

5.10.6.3 All payments for Services provided under the terms of this Contract shall be made to Contractor using Contractor's legal name and tax payer identification number. Contractor shall not request payments to be made to third-party vendors (i.e., subcontractors) or any vendor which Contractor may use in the performance of this Contract. For purposes of this Contract, Contractor's legal name is identified as the name on Contractor's articles of incorporation, charter or other legal document that was used to create Contractor's organization.

5.10.6.4 **Direct Deposit Requirements**

5.10.6.4.1 In an effort to reduce costs, Contractor shall receive payments through direct deposit and shall adhere to County's direct deposit requirements. Contractor shall complete a direct deposit authorization form and submit it to County's Contract Manager in the time and manner as prescribed by County.

5.10.6.5 **Past Due Invoice**

5.10.6.5.1 Any invoice submitted more than thirty (30) days after the last day of the month in which the Services were rendered shall constitute a "past due invoice". Notwithstanding any other provision of this Contract, Contractor and County agree that County shall have no obligation whatsoever to pay any past due invoices. County may, in its sole discretion, pay some or all of a past due invoice which Contractor has submitted, provided that sufficient funds remain available under this Contract.

5.10.7 Contractor's failure to timely submit Contract-related documents that are accurate and complete, as requested or required by County, may result in suspension of payments to Contractor or other remedies provided by law or this Contract. Such documents shall include, but are not limited to, the following:

5.10.7.1 Exhibit B (Budget); Exhibit D (Contractor's Equal Employment Opportunity Certification); Exhibit F (Contractor's Administration); Exhibit G (Contractor Acknowledgement and Confidentiality Agreement); Exhibit L (Joint Funding Revenue Disclosure); Exhibit N (Inventory Control Form); Exhibit O (Charitable Contributions Certification); and, Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program);

5.10.7.2 Those documents outlined in Exhibit A (Statement of Work), Paragraph 5.0 (Fiscal Requirements) and Paragraph 16.0 (Contract Document Deliverables).

5.10.8 **Local Small Business Enterprise (Local SBE) - Prompt Payment Program**

5.10.8.1 When Contractor is certified as a Local SBE, Contractor will receive prompt payment for Services provided to County. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice.

5.11 Intentionally Omitted

6.0 ADMINISTRATION OF CONTRACT - COUNTY

6.1 County Administration

6.1.1 A listing of all County Administration referenced in the following Paragraphs is provided in Exhibit E (County's Administration). County shall notify Contractor in writing of any change in the names or addresses shown.

6.2 County's Contract Manager

6.2.1 The responsibilities of County's Contract Manager or his/her designee include:

6.2.1.1 ensuring that the objectives of this Contract are met;

6.2.1.2 providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements;

6.2.1.3 making revisions which do not materially affect the terms and conditions of this Contract in accordance with Paragraph 9.9 (Modifications); and

6.2.1.4 acting on behalf of County with respect to approval of subcontracts and subcontractor employees working on this Contract.

6.3 County's Program Manager

6.3.1 The responsibilities of County's Program Manager include:

6.3.1.1 meeting with Contractor's Project Director on a regular basis; and

6.3.1.2 inspecting any and all tasks, deliverables, goods, Services, or other work provided by or on behalf of Contractor.

6.3.2 County's Program Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

6.4 County's Compliance Manager

6.4.1 The responsibilities of County's Compliance Manager include:

6.4.1.1 verifying Contractor's compliance with the requirements of this Contract;

6.4.1.2 overseeing and monitoring the delivery of Services;

6.4.1.3 ensuring that the objectives of this Contract are met.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Project Director

7.1.1 Contractor's Project Director is designated in Exhibit F (Contractor's Administration). Contractor shall notify County's Contract Manager in writing of any change in the name or address of Contractor's Project Director.

7.1.2 Contractor's Project Director shall be responsible for Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Contract Manager, County's Program Manager and County's Compliance Manager on a regular basis.

7.1.3 Contractor's Project Director must have the qualifications and

experience identified in Exhibit A (Statement of Work).

7.2 Approval of Contractor's Staff

7.2.1 County has the absolute right to approve or disapprove all of Contractor's staff performing Work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Director. Contractor shall provide County's Program Manager with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

7.3 Contractor's Staff Identification

7.3.1 Contractor shall provide, at Contractor's expense, all staff providing Services under this Contract with a photo identification badge (hereafter "badge"). The badge shall be developed in accordance with County's specifications. Contractor shall obtain approval for the format and content of the badge from County's Program Manager prior to Contractor creating, issuing, or implementing use of the badge.

7.3.2 Contractor's staff, while on duty or when entering County facilities or grounds, shall prominently display the badge on the upper part of the body. Contractor's staff may be asked to leave a County facility by a County representative if they do not have the photo identification badge on their person.

7.3.3 Contractor shall notify County's Contract Manager within five (5) days when staff is terminated from working under this Contract. Contractor shall retrieve and immediately destroy the employee's badge upon the employee's termination of employment with Contractor.

7.3.4 If County requests the removal of Contractor's staff, Contractor shall retrieve and immediately destroy an employee's badge at the time the employee is removed from working on this Contract.

7.4 Background and Security Investigations

7.4.1 Each of Contractor's staff performing Services under this Contract who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform Services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and Federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of Contractor, regardless if the member of Contractor's staff passes or fails the background investigation. For purposes of this Contract, a sensitive position is one in which the duties pose a potential threat or risk to Client when performed by persons who have a criminal history incompatible with those duties, whether those persons are employees of Contractor or other individuals who perform Services on behalf of Contractor pursuant to this Contract. For Work performed under this Contract, sensitive positions include the following:

7.4.1.1 Positions that involve the care, oversight, or protection of persons through direct contact with such persons (e.g., social worker, case manager, etc.).

7.4.1.2 Positions having direct or indirect access to funds or negotiable instruments (e.g., finance manager, accountant, bookkeeper, etc.).

7.4.1.3 Positions that require State and/or professional licensing (e.g., Certified Public Accountant, etc.).

7.4.1.4 Positions that have access to confidential or classified information including criminal conviction information (e.g., human resources manager, etc.).

7.4.1.5 Positions that involve the care, oversight, or protection of County, public, or private property (e.g., property custodian, etc.).

7.4.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing Services under this Contract at any time during the term of this Contract. County will not provide to Contractor or to Contractor's staff any information obtained through County's background investigation.

7.4.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff who does not pass such investigation to the satisfaction of County or whose background or conduct is incompatible with County facility access.

7.4.4 No personnel employed by Contractor for this Contract shall be on active probation, currently on parole or have been on probation or parole within the last three (3) years.

7.4.5 Contractor and its staff, including all current and prospective employees, independent contractors, volunteers or subcontractors who may come in contact with people in the course of their work, volunteer activity, or performance of a subcontract, providing Services under this Contract shall be under a continuing obligation to disclose any prior or subsequent criminal conviction record or any pending criminal trial to County's Contract Manager. Contractor shall inform its staff, including all current and prospective employees, independent contractors, volunteers or subcontractors who may come in contact with people in the course of their work, volunteer activity, or performance of a subcontract, providing Services under this Contract of said obligation. Contractor shall maintain records of criminal convictions and/or pending criminal trials in the file of each such person.

7.4.6 Contractor shall immediately notify County's Contract Manager of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any Contractor staff, independent contractor,

volunteer staff or subcontractor who may come in contact with children, elderly individuals or dependent adults while providing Services under this Contract when such information becomes known to Contractor. Contractor shall not engage or continue to engage the services of any person convicted of any crime involving harm to minors, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to, the offenses specified in the California Health and Safety Code Section 11590 (i.e., offenses requiring registration as a controlled substance offender) and those crimes listed in the California Penal Code which involve murder, rape, kidnap, abduction, assault and lewd and lascivious acts.

7.4.7 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.4 shall not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Contract.

7.5 Confidentiality

7.5.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

7.5.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.5 and Exhibit G (Contractor Acknowledgement and Confidentiality Agreement), as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

7.5.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing Services hereunder of the confidentiality provisions of this Contract.

7.5.4 Contractor shall sign and also adhere to the provisions of Exhibit G (Contractor Acknowledgement and Confidentiality Agreement).

8.0 STANDARD TERMS AND CONDITIONS

8.1 AMENDMENTS

8.1.1 For any change which materially affects the Scope of Work, Contract Term, Contract Sum, payments, or any other term or condition included under this Contract, an Amendment shall be prepared by County and executed by Contractor and by County's Department Head or his/her designee.

8.1.2 County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in this Contract during the term of this Contract. County reserves the right to add and/or change such provisions as required by County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to this Contract shall be prepared by County and executed by Contractor and by County's Department Head or his/her designee.

8.1.3 County's Department Head or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Contract). Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to this Contract shall be prepared by County and executed by Contractor and by County's Department Head or his/her designee.

8.1.4 The following events shall also warrant an Amendment to this Contract as described in this Paragraph 8.1:

8.1.4.1 County may initiate a unilateral Amendment to this Contract at any time when required by Federal, State or County laws or policies, and shall immediately notify Contractor of said Amendment and the justification thereto.

8.1.4.2 To the extent that funding for the Program is eliminated or otherwise reduced, the Program is terminated or the Program is modified for any reason (such that funding is reduced or the Scope of Work is changed), County may in its sole discretion amend this Contract accordingly or move to terminate pursuant to the provisions in Paragraph 8.42 (Termination for Convenience) without further liability for Services yet to be rendered by Contractor.

8.1.5 For any change which does not affect the Scope of Work performed under this Contract, the Contract Term or Contract Sum, and does not otherwise materially change any other term or condition under this Contract, County reserves the right to initiate such change(s) through a Change Notice. Such Change Notice shall be a written document that is prepared by County at its sole discretion and is signed by County's Contract Manager or designee. A Change Notice will be used to communicate changes which do not warrant an amendment to this Contract.

Such Change Notice shall be provided to Contractor at least ten (10) days prior to its effective date and Contractor shall adhere to the requirements as specified therein. Contractor's failure to comply with the Change Notice(s) may result in County imposing remedies including suspension of payment(s), termination of Contract or other remedies under this Contract as determined by County at its sole discretion.

8.2 ASSIGNMENT AND DELEGATION

8.2.1 Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its sole discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 8.2, County consent shall require a written Amendment to this Contract, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.

8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.2.3 Any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 AUTHORIZATION WARRANTY

8.3.1 Contractor represents and warrants that the person executing this Contract for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of this Contract and that all requirements of Contractor have been fulfilled to provide such actual authority.

8.4 BUDGET REDUCTIONS

8.4.1 In the event that County's Board of Supervisors adopts, in any Fiscal Year, a County budget which provides for reductions in the salaries and benefits paid to the majority of County

employees and imposes similar reductions with respect to County contracts, County reserves the right to reduce its payment obligation under this Contract correspondingly for that Fiscal Year or Program Year and any subsequent Fiscal Year or Program Year during the term of this Contract (including any extensions), and the Services to be provided by Contractor under this Contract shall also be reduced correspondingly. County's notice to Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, Contractor shall continue to provide all of the Services set forth in this Contract.

8.5 COMPLAINTS

8.5.1 Contractor shall develop, maintain and utilize procedures for receiving, investigating and responding to complaints. Within fifteen (15) business days after Contract effective date, Contractor shall provide County's Contract Manager with Contractor's policy for receiving, investigating and responding to Client complaints.

8.5.2 County will review Contractor's policy and provide Contractor with approval of said plan or with requested changes.

8.5.3 If County requests changes in Contractor's policy, Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.

8.5.4 If, at any time, Contractor wishes to change Contractor's policy, Contractor shall submit proposed changes to County's Contract Manager for approval before implementation.

8.5.5 Contractor shall preliminarily investigate all complaints and notify County's Compliance Manager of the status of the investigation within ten (10) business days of receiving the complaint.

8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

8.5.7 Copies of all written responses shall be sent to County's Compliance Manager within five (5) business days of mailing to the complainant.

8.5.8 Contractor shall provide Client an opportunity to anonymously submit a grievance directly to County's Compliance Manager. Contractor shall ensure that the contact information of County's Compliance Manager is posted in a publicly accessible area and also provided to Client in writing.

8.5.9 Contractor shall provide County an opportunity to consider any grievance whether it is anonymously submitted to County by Client or if it's a grievance that cannot be resolved by Contractor. At County's sole discretion, County's written decision regarding the grievance shall be final and irrevocable.

8.5.10 At a minimum, Contractor shall incorporate (into its written grievance policies) the procedures and provisions of this

Paragraph 8.5 as well as those outlined in both County's directive number LACOD-WIAD11-01 (as may be amended or superseded) and State's directive number WSD10-1 (as may be amended or superseded).

8.6 COMPLIANCE WITH APPLICABLE LAWS

8.6.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State, County and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures. Contractor shall also comply with all subsequent revisions, modifications, and administrative and statutory changes made thereto by Federal, State and County authorities. All provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.6.3 Contractor's compliance with applicable laws and regulations includes, but is not limited to, adherence to applicable OMB Circulars, CFRs and mandatory standards and policies relating to the following: State's energy efficiency regulations (the California Code of Regulations Title 24); the Clean Air Act (42 USC 7401 et seq.); the Water Pollution Prevention and Control provisions (33 USC 1368); the Clean Water Act/Federal Water Pollution Control Act (33 USC 1251 et seq.); and, Executive Order 11738. County reserves the right to review Contractor's procedures to ensure that they comply with the statutes, ordinances, regulations, rules, rulings, policies and procedures of the Federal, State and County authorities, as applicable.

8.6.4 Contractor certifies that throughout the entirety of this Contract it shall comply with all Federal and State payroll tax rules and employer tax guides; Contractor shall pay all Federal and State payroll taxes; and, Contractor shall make all tax

deposits required by Federal and State laws within the time limits required.

8.6.5 Contractor's failure to comply with such regulations, rules, ordinances, court rules, municipal laws, directives, policies and procedures outlined in this Paragraph 8.6 and/or the provisions, requirements or conditions of this Contract, including but not limited to, performance documentation, reporting, audit and evaluation requirements shall be material breach of this Contract and may result in termination of this Contract or other remedies available herein.

8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS

8.7.1 Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964 (42 USC 2000e - 2000e-17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. Contractor shall comply with Exhibit D (Contractor's Equal Employment Opportunity Certification). Prior to the commencement of this Contract, Contractor shall submit the completed Exhibit D to County's Contract Manager in the time and manner as designated by County.

8.7.2 Notwithstanding any other provision of law and pursuant to the requirements outlined in California Public Contract Code Section 10295.3, when Contractor has been awarded a contract in the amount of $100,000 or more, Contractor shall not discriminate in the provision of benefits between employees with spouses and employees with domestic partners, or discriminate between employees with spouses or domestic partners of a different sex and employees with spouses or domestic partners of the same sex, or discriminate between same-sex and different-sex domestic partners of employees or between same sex and different-sex spouses of employees. For purposes of this Sub-paragraph, "contract" includes contracts awarded by County to Contractor with a cumulative amount of $100,000 or more for each Fiscal Year (where the contract funds originate from the State).

8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.8.1 **Jury Service Program**

8.8.1.1 This Contract is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service (hereafter "Jury Service Program") as codified in Los Angeles County Code Sections 2.203.010 through 2.203.090, a copy of which is attached in Exhibit H (Contractor Employee Jury Service) and incorporated by reference into and made a part of this Contract.

8.8.2 **Written Employee Jury Service Policy**

8.8.2.1 Unless Contractor has demonstrated to County's

satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Los Angeles County Code Section 2.203.020) or that Contractor qualifies for an exception to the Jury Service Program (Los Angeles County Code Section 2.203.070), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.

8.8.2.2 For purposes of this Paragraph 8.8, "Contractor" means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one (1) or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of Contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform Services for County under this Contract, the subcontractor shall also be subject to the provisions of this Paragraph 8.8. The provisions of this Paragraph 8.8, shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

8.8.2.3 If Contractor is not required to comply with the Jury Service Program when this Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County's Contract Manager if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during this Contract and at its sole discretion, that Contractor demonstrate, to County's satisfaction that Contractor either continues to remain outside of the

Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program.

8.8.2.4 Contractor's violation of this Paragraph 8.8 of this Contract may constitute a material breach of this Contract. In the event of such material breach, County may, in its sole discretion, terminate this Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

8.9.1 No County employee whose position with County enables such employee to influence the award of this Contract or any competing contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of Contractor who may financially benefit from the performance of Work hereunder shall in any way participate in County's approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such Work.

8.9.2 Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. Contractor warrants that it is not now aware of any facts that create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County's Contract Manager. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Paragraph 8.9 shall be a material breach of this Contract.

8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ON RE-EMPLOYMENT LIST

8.10.1 Should Contractor require additional or replacement personnel after the effective date of this Contract to perform the Services set forth herein, Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff or to qualified former County employees who are on a re-employment list during the life of this Contract.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

8.11.1 Should Contractor require additional or replacement personnel after the effective date of this Contract, Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job

category to Contractor.

8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 Responsible Contractor

8.12.1.1 A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform this Contract. It is County's policy to conduct business only with responsible contractors.

8.12.2 Los Angeles County Code Chapter 2.202

8.12.2.1 Contractor is hereby notified that, in accordance with Los Angeles County Code Chapter 2.202, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in this Contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.

8.12.3 Non-responsible Contractor

8.12.3.1 County may debar Contractor if the Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County, (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

8.12.4 Contractor Hearing Board

8.12.4.1 If there is evidence that Contractor may be subject to debarment, County will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

8.12.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.4.4 If Contractor has been debarred for a period longer than five (5) years, Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where: (1) Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

8.12.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 **Subcontractors of Contractor**

8.12.5.1 These terms shall also apply to subcontractors of County contractors.

8.12.6 Contractor hereby acknowledges that County is prohibited from contracting with and/or making sub-awards to parties that are suspended, debarred, ineligible, or excluded from securing State-funded or Federally-funded contracts. By executing this Contract, Contractor certifies that neither it nor any of its owners, officers, partners, directors, or other principals is currently suspended, debarred, ineligible, or excluded from securing State-funded or Federally-funded contracts. Further by executing this Contract, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractors is currently suspended, debarred, ineligible, or excluded from securing State-funded or Federally-funded contracts. During the term of this Contract, Contractor shall immediately notify County's Contract Manager in writing should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing State-funded or Federally-funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Contract upon which County may immediately terminate or suspend this Contract.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY' S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

8.13.1 Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.14.1 Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through this Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate

the economic burden otherwise imposed upon County and its taxpayers.

8.14.2 As required by County's Child Support Compliance Program (Los Angeles County Code Chapter 2.200) and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC 653(a)) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to the California Code of Civil Procedure Section 706.031 and the California Family Code Section 5246(b).

8.15 COUNTY'S QUALITY ASSURANCE PLAN

8.15.1 County or its agent will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place performance of this Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.16.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.16.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

8.17 EMPLOYMENT ELIGIBILITY VERIFICATION

8.17.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing Work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (PL

99-603) as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

8.17.2 Contractor shall indemnify, defend, and hold harmless, County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing Work under this Contract.

8.18 FACSIMILE REPRESENTATIONS

8.18.1 County and Contractor hereby agree to regard facsimile representations of original signatures (i.e., electronic signatures) of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.19 FAIR LABOR STANDARDS

8.19.1 Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for Work performed by Contractor's employees for which County may be found jointly or solely liable.

8.20 FORCE MAJEURE

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this Paragraph 8.20 as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or Services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Paragraph 8.20,

the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or Services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.21 GOVERNING LAW, JURISDICTION, AND VENUE

8.21.1 This Contract shall be governed by, and construed in accordance with, the laws of the State of California. Contractor agrees and consents to the exclusive jurisdiction, including personal jurisdiction, of the courts of the State of California for all purposes regarding this Contract, and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 This Contract is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing Work pursuant to this Contract all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.

8.22.3 Contractor understands and agrees that all persons performing Work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Contractor pursuant to this Contract.

8.22.4 Contractor shall adhere to the provisions stated in Paragraph 7.5 (Confidentiality).

8.23 INDEMNIFICATION

8.23.1 Contractor shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of County Indemnitees.

8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

8.24.1 Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Paragraph 8.24 and Paragraph 8.25 (Insurance Coverage) of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. County in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to this Contract.

8.24.2 **Evidence of Coverage and Notice to County**

8.24.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) have been given Insured status under Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing Services under this Contract.

8.24.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration dates. County reserves the right to obtain complete, certified copies of any required Contractor and/or subcontractor insurance policies at any time.

8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding $50,000.00 dollars, and list any County required endorsement forms.

8.24.2.4 Neither County's failure to obtain, nor County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

8.24.2.5 Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Community and Senior Services
Contracts Management Division
Attention: County's Contract Manager
3175 West Sixth Street
Los Angeles, CA 90020

8.24.2.6 Contractor also shall promptly report to County's Contract Manager any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County's Contract Manager of any third-party claim or suit filed against Contractor or any of its subcontractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.24.3 **Additional Insured Status and Scope of Coverage**

8.24.3.1 The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of Contractor's acts or omissions, whether such liability is attributable to Contractor or to County. The full policy limits and scope of protection also shall apply to County and its Agents as an additional insured, even if they exceed County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.4 **Cancellation of or Change(s) in Insurance**

8.24.4.1 Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County's Contract Manager at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of this Contract, in

the sole discretion of County, upon which County may suspend or terminate this Contract.

8.24.5 **Failure to Maintain Insurance**

8.24.5.1 Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of this Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

8.24.6 **Insurer Financial Ratings**

8.24.6.1 Coverage shall be placed with insurers acceptable to County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.24.7 **Contractor's Insurance Shall Be Primary**

8.24.7.1 Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

8.24.8 **Waivers of Subrogation**

8.24.8.1 To the fullest extent permitted by law, Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.9 **Subcontractor Insurance Coverage Requirements**

8.24.9.1 Contractor shall include all subcontractors as insureds under Contractor's own policies, or shall provide County with each subcontractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each subcontractor complies with the Required Insurance provisions herein, and shall require that each subcontractor name County and Contractor as additional insureds on the subcontractor's General Liability policy. Contractor shall obtain County's prior review and approval of any subcontractor request for modification of the Required Insurance.

8.24.10 **Deductibles and Self-Insured Retentions (SIRs)**

8.24.10.1 Contractor's policies shall not obligate County to

pay any portion of any Contractor deductible or SIR. County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.11 **Claims Made Coverage**

8.24.11.1 If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

8.24.12 **Application of Excess Liability Coverage**

8.24.12.1 Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

8.24.13 **Separation of Insureds**

8.24.13.1 All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.14 **Alternative Risk Financing Programs**

8.24.14.1 County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.24.15 **County Review and Approval of Insurance Requirements**

8.24.15.1 County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.25 INSURANCE COVERAGE

8.25.1 **Commercial General Liability**

8.25.1.1 Insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	$2 million
Products/Completed Operations Aggregate:	$1 million
Personal and Advertising Injury:	$1 million
Each Occurrence:	$1 million

8.25.2 **Automobile Liability**

8.25.2.1 Insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than $1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 **Workers Compensation and Employers' Liability**

8.25.3.1 Insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than $1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any Federal workers or workmen's compensation law or any Federal occupational disease law.

8.25.4 **Crime Coverage**

8.25.4.1 A Fidelity Bond or Crime Insurance policy with limits of not less than $50,000 per occurrence. Such coverage shall protect against all loss of money, securities, or other valuable property entrusted by County to Contractor, and apply to all of Contractor's directors, officers, agents and employees who regularly handle or have responsibility for such money, securities or property. County and its Agents shall be named as an Additional Insured and Loss Payee as its interests may appear. This insurance shall include third-party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and shall not contain a requirement for an arrest and/or conviction.

8.25.5 **Professional Liability/Errors and Omissions**

8.25.5.1 Insurance covering Contractor's liability arising from

or related to this Contract, with limits of not less than $1 million per claim and $2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

8.25.6 **Property Coverage**

8.25.6.1 Contractors given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. County and its Agents shall be named as an Additional Insured and Loss Payee on Contractor's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

8.25.7 **Sexual Misconduct Liability**

8.25.7.1 Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than $2 million per claim and $2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

8.26 LIQUIDATED DAMAGES

8.26.1 If, in the judgment of County's Department Head, or his/her designee, Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, County's Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from Contractor's invoice for Work not performed. A description of the Work not performed and the amount to be withheld or deducted from payments to Contractor from County, will be forwarded to Contractor by County's Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.26.2 If County's Department Head or his/her designee determines that there are deficiencies in the performance of this Contract that County's Department Head or his/her designee deems are correctable by Contractor over a certain time span, County's Department Head or his/her designee will provide a written notice to Contractor to correct the deficiency within specified time frames. Should Contractor fail to correct deficiencies within said time frame, County's Department Head or his/her designee may:

8.26.2.1 Deduct from Contractor's payment, pro rata, those applicable portions of the monthly Contract Sum; and/or

8.26.2.2 Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages per day per infraction shall be 0.25% of the Maximum Annual Contract Sum. In the event that this Contract is funded for one (1) Fiscal Year (Program Year) term then a reasonable estimate of such damages per day per infraction shall be 0.25% of the Maximum Contract Sum. In either case, Contractor shall be liable to County for liquidated damages in said amount and this amount shall be deducted from County's payment to Contractor; and/or

8.26.2.3 Upon giving five (5) days' notice to Contractor for failure to correct the deficiencies, County may correct any and all deficiencies and the total costs incurred by County for completion of the Work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to Contractor from County, as determined by County.

8.26.3 The action noted in Sub-paragraph 8.26.2 shall not be construed as a penalty, but as adjustment of payment to Contractor to recover County cost due to the failure of Contractor to complete or comply with the provisions of this Contract.

8.26.4 This Paragraph 8.26 shall not, in any manner, restrict or limit County's right to damages for any breach of this Contract provided by law or as specified in Sub-paragraph 8.26.2, and shall not, in any manner, restrict or limit County's right to terminate this Contract as agreed to herein.

8.27 MOST FAVORED PUBLIC ENTITY

8.27.1 If Contractor's prices decline, or should Contractor at any time during the term of this Contract provide the same goods or Services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to County.

8.28 NON-DISCRIMINATION AND AFFIRMATIVE ACTION

8.28.1 Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.28.2 Contractor shall certify to, and comply with, the provisions of

Exhibit D (Contractor's Equal Employment Opportunity Certification).

8.28.3 Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

8.28.4 Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

8.28.5 Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

8.28.6 Contractor shall allow County representatives access to Contractor's employment records during County's regular business hours to verify compliance with the provisions of this Paragraph 8.28 when so requested by County.

8.28.7 If County finds that any provisions of this Paragraph 8.28 have been violated, such violation shall constitute a material breach of this Contract upon which County may terminate or suspend this Contract. While County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Contract, County shall, at its sole option, be entitled to the sum of $500 for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.29 NON-EXCLUSIVITY

8.29.1 Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Contract shall not restrict County from acquiring similar, equal or like goods and/or Services from other entities or sources.

8.30 NOTICE OF DELAYS

8.30.1 Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 NOTICE OF DISPUTES

8.31.1 Contractor shall bring to the attention of County's Program Manager and/or County's Contract Manager any dispute between County and Contractor regarding the performance of Services as stated in this Contract. If County's Program Manager or County's Contract Manager is not able to resolve the dispute, County's Department Head or his/her designee shall resolve it.

8.32 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

8.32.1 Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service (IRS) Notice 1015. Contractor shall obtain the most current version of IRS Notice 1015 on-line at the IRS website: www.irs.gov.

8.33 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

8.33.1 Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I (Safely Surrendered Baby Law Fact Sheet), of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

8.34 NOTICES

8.34.1 All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand-delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibit E (County's Administration) and Exhibit F (Contractor's Administration). Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. County's Contract Manager or his/her designee shall have the authority to issue all notices or demands required or permitted by County under this Contract.

8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

8.35.1 Notwithstanding the above, Contractor and County agree that, during the term of this Contract and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or

persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.36 PUBLIC RECORDS ACT

8.36.1 Any documents submitted by Contractor, all information obtained in connection with County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection/Audit Settlement), as well as those documents which were required to be submitted in response to the solicitation used to procure this Contract, become the exclusive property of County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (California Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.36.2 In the event County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", Contractor agrees to defend and indemnify County from all costs and expenses, including reasonable attorney's fees, in an action or liability arising under the California Public Records Act.

8.37 PUBLICITY

8.37.1 Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing Contractor's need to identify its Services and related Clients to sustain itself, County shall not inhibit Contractor from publishing its role under this Contract within the following conditions:

8.37.1.1 Contractor shall develop all publicity material in a professional manner; and

8.37.1.2 During the term of this Contract, Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of County's Contract Manager. County shall not unreasonably withhold written consent.

8.37.2 Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 8.37 shall apply.

8.37.3 Contractor shall not use or display the official seal of the County of Los Angeles or the logo of Community and Senior Services on any of its letterhead or other communications with any debtor, or

for any other reason, unless each form of usage has prior written approval of the Los Angeles County Board of Supervisors.

8.38 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

8.38.1 **Record Retention Requirements**

8.38.1.1 Contractor shall maintain accurate and complete financial records (such as bank statements, cancelled checks or other proof of payment) of its activities and operations relating to this Contract in accordance with Generally Accepted Accounting Principles. Contractor shall also maintain all materials, including, but not limited to, complete employment records (such as timecards, sign-in/sign-out sheets and other time and employment records), supporting Program documents and proprietary data and information relating to its performance of this Contract. Contractor shall further maintain on file the entirety of this Contract, its amendments and/or addendums, modifications and all applicable laws, regulations, directives and guidance which are hereby incorporated by reference. Contractor shall ensure that the security and integrity of all records are maintained throughout the entire term of this Contract and during the authorized retention period as outlined below.

8.38.1.2 Contractor shall adhere to the requirements of the authorized retention period, which shall be the greater of the following: throughout the entire term of this Contract and no less than five (5) years after the expiration or termination of this Contract unless Contractor receives County's written permission to dispose of any such material prior to such time; until an audit of this Contract has occurred and a written audit resolution has been issued or unless otherwise authorized in writing by County; or, for such longer period, if any, as required by applicable statute, by any other provision of this Contract, by Sub-paragraphs 8.38.2.2 and 8.38.2.3 or as County deems necessary (which shall be communicated to Contractor in writing).

8.38.1.3 All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at County's option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.38.1.4 After the authorized retention period has expired, confidential records shall be shredded and disposed of in a manner that will maintain confidentiality.

8.38.2 **Access to Records**

8.38.2.1 Contractor agrees that County and any of its duly authorized representatives (which may include State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives), shall have both access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract any books, documents, papers and records of Contractor that are directly pertinent to this Contract (as determined by County and its duly authorized representatives). The rights of access which are outlined in this Contract shall not be limited to the authorized retention period but shall last as long as the records are retained.

8.38.2.2 If this Contract (or any part thereof) is terminated, Contractor shall preserve and make all records, relating to the Work terminated, available during the authorized retention period of this Contract. Contractor shall ensure that any resource directories and all Client records remain the property of County upon termination of this Contract, and that they are returned to County or transferred to another contractor as instructed by County in writing.

8.38.2.3 In the event of any litigation, claim, negotiation, audit exception or other action involving the records, Contractor shall maintain all records relative to such action and shall make them available to County and/or its duly authorized representatives until every action has been cleared to the satisfaction of County and/or its duly authorized representatives, and such clearance must be evidenced to Contractor in writing.

8.38.2.4 County reserves the right to take physical custody of Contractor's records when any of the following situations occur: in the event that a potential litigation may be levied against Contractor for its Work performed under this Contract; when County determines that Contractor is at a high risk of ceasing its operations during any time within the Contract term or prior to the end of the retention period; when County determines that the records have long-term value; and/or, in the event that County and Contractor terminate the contractual relationship. For purposes of this Contract, high risk is determined by County using criteria which includes but is not limited to the following: history of unsatisfactory contractual performance; financial instability or insolvency; documented evidence of an inadequate management system and lack of internal controls; non-conformance to the terms and conditions of

previous awards; non-responsible; and/or history of disallowed costs.

8.38.3 **Monitoring Reviews**

8.38.3.1 Contractor shall provide the Services herein under the general supervision of County's Department Head and his/her authorized administrators who are designated in Paragraph 6.0 (Administration of Contract-County). County shall supervise, monitor and specify the kind, quality, appropriateness, timeliness and amount of the Services to be provided by Contractor as well as the criteria for determining the persons to be served (Clients). Contractor shall extend to County and to representatives authorized by County (including, but not limited to, State and Federal representatives) the right to observe, review and monitor Contractor's facilities, programs, records, procedures, performance, activities, or documents, which are used under this Contract. Contractor shall provide County (or other designated authorities) the right to conduct such reviews at any time during County's hours of operation. County (or other designated authorities) shall not unreasonably interfere with Contractor's performance. The requirements of this Paragraph 8.38 shall also apply to subcontractors providing Services on behalf of Contractor.

8.38.3.2 County will monitor Contractor's Services provided under this Contract on a regular basis and County may conduct unannounced site visits to ensure Contractor's compliance with this Contract. County will summarize the results of the monitoring efforts in written reports, which shall be supported with documented evidence of follow-up actions taken to correct areas of non-compliance. Monitoring activities may include, but are not limited to interviewing Contractor employees and, when applicable, Clients; entering any premises or any site in which any of the Services or activities funded are being conducted or in which any records of Contractor are kept; etc. All information will be maintained in a confidential manner in accordance with any and all Federal, State and local laws.

8.38.3.3 Contractor shall be responsible for monitoring the activities of its subcontractor(s) providing Services. Contractor shall conduct on-site fiscal and program monitoring reviews which shall be documented and maintained on file according to the record retention requirements provided in this Paragraph 8.38. Contractor shall ensure that subcontractor(s) adheres to all requirements for correcting areas of non-compliance, and implements the corrective action plan which has been approved by Contractor.

8.38.4 **Independent Audit Requirements**

8.38.4.1 OMB Circular A-133 requires that organizations which expend $500,000 or more in a year in Federal awards, including pass-through awards, shall obtain an annual audit (either a single audit or a Program-specific audit). When Contractor's organization meets this requirement (as specified in OMB Circular A-133), Contractor shall ensure that such audit shall be conducted by an independent auditor in accordance with the requirements outlined in the most recent version of OMB Circular A-133 (and any amendments or supplements thereto). Upon auditor's completion of the single audit or the Program-specific audit, Contractor shall obtain both the data collection form and the reporting package (i.e., auditor's report), as described in OMB Circular A-133, from the auditor for each audit period (i.e., each Fiscal Year or Program Year). Contractor shall submit a copy of the auditor's report to County's Compliance Manager within thirty (30) days after receipt of auditor's report but no later than nine (9) months following the end of the audit period.

8.38.4.2 When the requirements provided above for obtaining an annual audit do not apply to Contractor for any Fiscal Year (or Program Year), Contractor shall make its records available for review or audit by County and any of its duly authorized representatives (which may include State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives). Such review or audit may include but is not limited to financial audits, performance audits, evaluations, inspections, monitoring, etc. as determined by County and/or by any other oversight agency that is responsible for overseeing Contract Funds, the Program and Services. Contractor shall comply with the review and audit requirements which shall be identified in writing by County and/or its duly authorized representatives.

8.38.4.3 In the event that an audit of Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report with County's Compliance Manager within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.38.4.4 If, at any time during the term of this Contract or

during the authorized retention period of this Contract as noted in Sub-paragraph 8.38.1, representatives of County conduct an audit of Contractor regarding the Work performed under this Contract, and if such audit finds that County's dollar liability for any such Work is less than payments made by County to Contractor, then the difference shall be either: a) repaid by Contractor to County by cash payment upon demand; or, b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to Contractor from County, whether under this Contract or otherwise. If such audit finds that County's dollar liability for such Work is more than the payments made by County to Contractor, then the difference shall be paid to Contractor by County by cash payment, provided that in no event shall County's maximum obligation for this Contract exceed the funds appropriated by County for the purpose of this Contract.

8.38.5 **Failure to Comply With Requirements**

8.38.5.1 Failure on the part of Contractor to comply with any of the provisions of this Paragraph 8.38 shall constitute a material breach of this Contract upon which County may terminate or suspend this Contract.

8.39 RECYCLED BOND PAPER

8.39.1 Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at Los Angeles County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.40 SUBCONTRACTING

8.40.1 The requirements of this Contract may not be subcontracted by Contractor **without the advance written approval of County**. Any attempt by Contractor to subcontract without the prior consent of County shall be deemed a material breach of this Contract.

8.40.2 If Contractor desires to subcontract, Contractor shall provide the following information promptly at County's request:

8.40.2.1 A description of the Work to be performed by the subcontractor;

8.40.2.2 A draft copy of the proposed subcontract; and

8.40.2.3 Other pertinent information and/or certifications requested by County.

8.40.3 Contractor shall indemnify and hold County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.

8.40.4 Contractor shall remain fully responsible for all performances required of it under this Contract, including those that Contractor has determined to subcontract, notwithstanding County's approval of Contractor's proposed subcontract.

8.40.5 County's consent to subcontract shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing Services under this Contract. Contractor is responsible for notifying its subcontractors of this County right.

8.40.6 County's Contract Manager is authorized to act for and on behalf of County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by County, Contractor shall forward a copy of the fully executed subcontract to County's Contract Manager within five (5) days of its execution.

8.40.7 Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through Services performed hereunder, notwithstanding County's consent to subcontract.

8.40.8 Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by County from each approved subcontractor. Contractor shall ensure delivery of all such certificate of insurance documents before any subcontractor employee may perform any Work hereunder. These documents shall be delivered to:

County of Los Angeles
Community and Senior Services
Contracts Management Division
Attention: County's Contract Manager
3175 West Sixth Street
Los Angeles, CA 90020

8.40.9 Amending a subcontract may be initiated by either Contractor or County. When an amendment is initiated by County, County shall outline the reason(s) for the amendment and Contractor shall comply with County's request. All subcontract amendments are subject to review and must be approved in writing by County before they are executed. Contractor shall provide a draft copy of the proposed amendment to County's Contract Manager, and shall allow County ten (10) days to complete its review process. After County's approval of Contractor's amendment, Contractor shall forward a copy of the fully executed amendment to County's Contract Manager within five (5) days of its execution.

8.40.10 Contractor shall adhere to all applicable Federal, State and/or County requirements for the procurement of a subcontractor(s) and/or vendor services using Contract Funds.

8.40.11 In the event County approves Contractor's request to subcontract any part of the requirements of this Contract, all applicable provisions and requirements of this Contract shall be made applicable to such subcontract. To this end, Contractor shall include the following provision in the subcontract: This Contract is a subcontract under the terms of a prime contract (identified as Contract Number [@ PO Document Number @]) with the County of Los Angeles Community and Senior Services and shall be subject to all of the provisions of such prime Contract. All representations and warranties under this Contract shall inure to the benefit of the County of Los Angeles.

8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.41.1 Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this Contract pursuant to Paragraph 8.43 (Termination for Default) and pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.202.

8.42 TERMINATION FOR CONVENIENCE

8.42.1 County may terminate this Contract, in whole or in part, from time to time or permanently, when such action is deemed by County, in its sole discretion, to be in its best interest. Termination of Work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of Work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty (30) calendar days after the notice is sent.

8.42.2 Upon receipt of a notice of termination and except as otherwise directed by County, Contractor shall immediately:

8.42.2.1 Stop Work under this Contract on the date and to the extent specified in such notice;

8.42.2.2 Complete performance of such part of the Work as shall not have been terminated by such notice;

8.42.2.3 Transfer title and deliver to County all completed Work and Work in process.

8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of Contractor under this Contract shall be maintained by Contractor in accordance with Paragraph 8.38 (Record Retention and Inspection/Audit Settlement).

8.43 TERMINATION FOR DEFAULT

8.43.1 County may, by written notice to Contractor, terminate the whole or any part of this Contract, if, in the judgment of County:

8.43.1.1 Contractor has materially breached this Contract; or

8.43.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, Service, or other work required under this Contract; or

8.43.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as County may authorize in writing) after receipt of written notice from County specifying such failure.

8.43.2 In the event that County terminates this Contract in whole or in part as provided in Sub-paragraph 8.43.1, County may procure, upon such terms and in such manner as County may deem appropriate, goods and Services similar to those so terminated. Contractor shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and Services. Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this Paragraph 8.43.

8.43.3 Except with respect to defaults of any subcontractor, Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to: acts of nature or of the public enemy, acts of County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without the fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or Services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Paragraph 8.43, the term "subcontractor(s)" means subcontractor(s) at any tier.

8.43.4 If, after County has given notice of termination under the provisions of this Paragraph 8.43, it is determined by County that Contractor was not in default under the provisions of this Paragraph 8.43, or that the default was excusable under the provisions of Sub-paragraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.42 (Termination for Convenience).

8.43.5 The rights and remedies of County provided in this Paragraph 8.43, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 TERMINATION FOR IMPROPER CONSIDERATION

8.44.1 County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to Contractor's performance pursuant to this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.44.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.45 TERMINATION FOR INSOLVENCY

8.45.1 County may terminate this Contract forthwith in the event of the occurrence of any of the following:

8.45.1.1 Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

8.45.1.2 The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code;

8.45.1.3 The appointment of a Receiver or Trustee for Contractor; or

8.45.1.4 The execution by Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of County provided in this Paragraph 8.45, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 TERMINATION FOR NON - ADHERENCE OF COUNTY LOBBYIST ORDINANCE

8.46.1 Contractor, and each County Lobbyist or County Lobbying firm as defined in Los Angeles County Code Section 2.160.010 retained by Contractor, shall fully comply with the County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County Lobbyist or County Lobbying firm retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which County may in its sole discretion, immediately terminate or suspend this Contract.

8.47 TERMINATION FOR NON - APPROPRIATION OF FUNDS

8.47.1 Notwithstanding any other provision of this Contract, County shall not be obligated for Contractor's performance hereunder or by any provision of this Contract during any of County's future Fiscal Years unless and until the County's Board of Supervisors appropriates funds for this Contract in County's Budget for each such future Fiscal Year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last Fiscal Year for which funds were appropriated. County shall notify Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.48 VALIDITY

8.48.1 If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.49 WAIVER

8.49.1 No waiver by County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 8.49, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.50 WARRANTY AGAINST CONTINGENT FEES

8.50.1 Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

8.50.2 For breach of this warranty, County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.51 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

8.51.1 Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying

their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers. Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with Los Angeles County Code Chapter 2.206. Prior to the commencement of this Contract, Contractor shall complete Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program) and submit it to County's Contract Manager in the time and manner as designated by County.

8.52 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY' S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

8.52.1 Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.51 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program), shall constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this Contract and/or pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.206.

8.53 TIME OFF FOR VOTING

8.53.1 Contractor shall notify and provide its employees, and shall require each subcontractor to notify and provide its employees, information regarding the time off for voting law pursuant to California Elections Code (EC) Section 14000. Not less than ten (10) days before every statewide election, Contractor and its subcontractor(s) shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of EC Section 14000.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 ALLEGATIONS OF FRAUD AND/OR ABUSE

9.1.1 **Fraud Prevention Reporting**

9.1.1.1 Contractor's staff working on this Contract shall immediately report all suspected or actual instances of fraud as designated in Exhibit K (Accounting, Administration and Reporting Requirements).

9.1.2 **Child Abuse Reporting**

9.1.2.1 Contractor's staff working on this Contract shall comply with the Child Abuse and Neglect Reporting Act (California Penal Code (PC) Section 11164 et seq.), and shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by the referenced Penal Code. Additionally, Contractor's staff working on this Contract shall also report such abuse to the Los Angeles County Department of Children and

Family Services by calling the hotline at (800) 540-4000 within twenty-four (24) hours of discovering or suspecting the abuse. Contractor's staff shall submit all required information to the appropriate authorities in accordance with PC Sections 11166 and 11167.

9.1.3 **Elder and Dependent Adult Abuse Reporting**

9.1.3.1 Contractor's staff working on this Contract shall comply with the Elder Abuse and Dependent Adult Civil Protection Act (California Welfare and Institutions Code (WIC) Section 15600 et seq.), and shall report all known or suspected instances of physical abuse of elders and dependent adults either to an appropriate County adult protective services agency or to a local law enforcement agency, as mandated by the referenced Welfare and Institutions Code. Contractor's staff working on this Contract shall report the abuse and shall submit all required information in accordance with WIC Sections 15630, 15633 and 15633.5.

9.1.4 **Withholding of Payment**

9.1.4.1 In the event that allegations of fraud and/or abuse are levied against Contractor or any individual or entity performing Work under this Contract on behalf of Contractor, County reserves the right to withhold either ten percent (10%) of the Maximum Annual Contract Sum (in the event that this Contract is funded for one (1) Fiscal Year or Program Year term then ten percent (10%) will be withheld from the Maximum Contract Sum) or the amount of the final year-end invoice, whichever is greater, until a determination is issued in writing by County that withheld funds will be released to Contractor. For purposes of this Contract, fraud and abuse shall include but are not limited to the following: misapplication of funds; embezzlement; forgery; theft; solicitation and receipt of bribes; falsification of records; inauditable records; unsupported or undocumented Contract expenditures; inaccurate fiscal and/or Program reports; misuse of fixed assets or non-fixed assets purchased with Contract Funds (when the procurement of such assets are authorized in this Contract); violation of conflict of interest requirements; etc.

9.2 AMERICANS WITH DISABILITIES ACT (ADA)

9.2.1 Contractor shall abide by all applicable Federal, State and local laws including the Americans with Disabilities Act (ADA) and its requirement to provide reasonable accommodations and auxiliary aids or services, unless compliance with the ADA would place an undue financial burden on, or would fundamentally alter the nature of, Contractor's operations. Contractor shall submit demonstrable evidence of such undue financial burden to County in such circumstances.

9.3 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE

9.3.1 The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (Senate Bill 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractor to complete Exhibit O (Charitable Contributions Certification), County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect Los Angeles County and its taxpayers. When Contractor receives or raises charitable contributions without complying with its obligations under California law, Contractor commits a material breach subjecting it to termination of this Contract, debarment proceedings or both (Los Angeles County Code Chapter 2.202). Prior to the commencement of this Contract, Contractor shall submit the completed Exhibit O (Charitable Contributions Certification) to County's Contract Manager in the time and manner as designated by County.

9.4 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")

9.4.1 Contractor expressly acknowledges and agrees that the provision of Services under this Contract does not require or permit access by Contractor or any of its officers, employees, or agents, to any Client's medical records/patient information. Accordingly, Contractor shall instruct its officers, employees and agents that they are not to pursue, or gain access to, Client's medical records/patient information for any reason whatsoever.

9.4.2 Notwithstanding the forgoing, the parties acknowledge that in the course of the provision of Services hereunder, Contractor or its officers, employees and agents may have inadvertent access to Client's medical records/patient information. Contractor understands and agrees that neither it nor its officers, employees, or agents, are to take advantage of such access for any purpose whatsoever.

9.4.3 Additionally, in the event of such inadvertent access, Contractor and its officers, employees, and agents, shall maintain the confidentiality of any information obtained and shall notify County's Contract Manager immediately, or upon the first reasonable opportunity to do so, when such access has been gained. In the event of any access, whether inadvertent or intentional, Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all liability, including but not limited to, actions, claims, costs, demands, expenses, and fees (including attorney and expert witness fees) arising from or connected with Contractor's or its officers', employees', or agents' access to patient medical records/patient information. Contractor agrees to provide appropriate training to its employees regarding their obligations as described hereinabove.

9.5 FIXED AND NON-FIXED ASSETS AND SUPPLIES

9.5.1 Contractor may use Contract Funds to purchase Fixed Assets, Non-Fixed Assets and Supplies, which are defined in Exhibit M

(Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies). Prior to the commencement of this Contract (and annually thereafter), Contractor shall complete Exhibit N (Inventory Control Form) and submit it to County's Contract Manager in the time and manner as designated by County. Contractor shall adhere to the purchase, inventory and disposal requirements for all Fixed Assets, Non-Fixed Assets and Supplies purchased with Contract Funds, as provided by Federal and State regulations as well as the requirements outlined in Exhibit M (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies).

9.6 LIMITATION ON CORPORATE ACTS

9.6.1 Contractor shall not amend its articles of incorporation or bylaws, move to dissolve or transfer any assets obtained using Contract Funds, or take any other steps which may materially affect the performance of this Contract without first notifying County in writing no less than thirty (30) days prior to said action. Contractor shall notify County's Contract Manager immediately in writing of any change in Contractor's corporate name.

9.6.2 If, in County's sole discretion, the steps taken by Contractor are determined to materially affect Contractor's performance of this Contract, County may, at its sole discretion, take any (or all) of the following actions:

9.6.2.1 Require Contractor to remedy the areas that affect Contractor's ability to perform its obligations under this Contract.

9.6.2.2 Suspend Contractor from performing (and receiving payment for) Contract tasks until a remedy has been reached.

9.6.2.3 Terminate this Contract pursuant to Paragraph 8.43 (Termination for Default).

9.7 LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM

9.7.1 This Contract is subject to the provisions of County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Los Angeles County Code Chapter 2.204.

9.7.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

9.7.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

9.7.4 If Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and

Contractor knew, or should have known, that the information furnished was incorrect or that the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, Contractor shall:

9.7.4.1 Pay to County any difference between the Contract amount and what County's costs would have been if this Contract had been properly awarded;

9.7.4.2 In addition to the amount described in Sub-paragraph 9.7.4.1, be assessed a penalty in an amount of not more than ten percent (10%) of the amount of this Contract; and

9.7.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).

9.8 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN

9.8.1 As a pre-condition to the award of this Contract, Contractor represents and warrants that it has registered in Los Angeles County's vendor registration system (hereafter "WebVen"). The WebVen contains Contractor's business profile and identifies the goods/services being provided by Contractor. Contractor shall ensure that it updates its vendor profile whenever changes occur to Contractor's operations by accessing the WebVen site located on-line at: http://camisvr.co.la.ca.us/webven/. County shall use the data obtained from Contractor's WebVen profile to ensure that Contractor's information is consistent with Contract records (e.g., Contractor's legal name, as reflected in its WebVen profile, shall be used in all Contract documents).

9.9 MODIFICATIONS

9.9.1 **Modifications to this Contract**

9.9.1.1 This Contract fully expresses the agreement of the parties. Any modification to this Contract must be by means of a separate written document approved by County. No oral conversation between any officer, employee or agent of the parties shall modify or otherwise amend this Contract in any way. For purposes of this Paragraph 9.9, a Modification:

9.9.1.1.1 Is a mechanism that allows Contractor to revise its Budget or Services during the Fiscal Year or Program Year without adversely affecting Contractor's ability to fulfill its obligations under this Contract (i.e., such Modification shall not materially change Contractor's obligation to provide the Services outlined in Exhibit A (Statement of Work)).

9.9.1.1.2 Allows Contractor to fully utilize Contract Funds to fulfill the requirements of this Contract and adequately cover the provision of Services.

9.9.1.1.3 Is approved by County in writing, must be in the best interests of County and Contractor shall adhere to it in its entirety.

9.9.1.2 Any Modification, as described below, shall not change the terms, goals or requirements of this Contract. Such Modification provides Contractor some flexibility to operate within the terms of this Contract in order to fully utilize Contract Funds and to achieve Contractor's performance goals. Contractor's request for Modifications, either budgetary or programmatic, must be submitted in writing to County's Contract Manager. Contractor shall not request a Modification during the first quarter and during the last two (2) months of the current Fiscal Year or Program Year (except where a written waiver is requested by Contractor and granted by County).

9.9.2 **Budget Modifications**

9.9.2.1 The movement of funds within an approved Budget from one line item to another line item is classified as a Budget Modification. For the entirety of any Fiscal Year or Program Year, a Budget Modification shall not exceed twenty percent (20%) of the baseline amount allocated to the line items being modified (i.e., Contractor's movement of funds among line items shall not cause one line item to be reduced or increased by more than twenty percent (20%) of its baseline amount). For purposes of this Paragraph 9.9, baseline is defined as the original amount allocated at the beginning of a Fiscal Year or Program Year; for Fiscal Years or Program Years following the first Fiscal Year or Program Year, such amount may differ from what is reflected in the original Contract. A Budget Modification shall not change the Maximum Annual Contract Sum or the Maximum Contract Sum. Contractor shall notify County's Contract Manager in writing to request authorization prior to submitting a Budget Modification. On the date County approves a Budget Modification, such Budget Modification shall replace any prior Budget Modification(s) approved by County within the same Fiscal Year or Program Year (i.e., when Contractor's Budget Modification number 2 is approved by County, it becomes effective upon the approval date and Contractor's Budget Modification number 1 is no longer effective as of that same date).

9.9.3 **Program Modifications**

9.9.3.1 The movement of Services from one Service category (as defined in Exhibit A (Statement of Work)) to another is classified as a Program Modification. Contractor shall notify County's Contract Manager in writing to request authorization prior to submitting a Program Modification. On the date County approves a Program Modification, such Program Modification shall replace any prior Program Modification(s) approved by County within the same Fiscal Year or Program Year (i.e., when Contractor's Program Modification number 2 is approved by County, it becomes effective upon the approval date and Contractor's Program Modification number 1 is no longer effective as of that same date).

9.10 NEPOTISM

9.10.1 Contractor certifies that it shall not hire nor permit the hiring of any person in a position funded under this Contract if a member of the person's immediate family is employed in an administrative capacity by Contractor. For purposes of this Paragraph 9.10, the term "immediate family" means spouse (common law or otherwise, and including domestic partner), child, mother, father, brother, sister, brother-in- law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, step-parent, step-child, or such other relationship which would give rise to a substantial appearance of impropriety if the person were to be hired by Contractor. The term "administrative capacity" means a position that has overall administrative responsibility for the Program, including but not limited to selection, hiring, or supervisory responsibilities.

9.11 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT

9.11.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through Contractor's Work pursuant to this Contract. Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in County all of Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Contractor's Work under this Contract.

9.11.2 During the term of this Contract and during the authorized retention period of this Contract, Contractor shall maintain and provide security for all of Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during the term of this Contract and during the authorized retention period of this Contract, any and all such working papers and all information contained therein.

9.11.3 Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Contract, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Contract

Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.

9.11.4 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.

9.11.5 Notwithstanding any other provision of this Contract, County will not be obligated to Contractor in any way under Sub-paragraph 9.11.4 for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Sub-paragraph 9.11.3 or for any disclosure which County is required to make under any Federal or State law or order of court.

9.11.6 Notwithstanding any other provision of this Contract, County and Contractor agree that County shall have all ownership rights of software or modification thereof and associated documentation designed, developed or installed using Federal financial participation. The Federal government shall have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal government purposes, such software, modifications and documentation. Notwithstanding any other provision of this Contract, proprietary operating/vendor software packages, which are provided at established catalog or market prices and sold or leased to the general public, shall not be subject to the ownership provisions of this Paragraph 9.11.

9.11.7 All the rights and obligations of this Paragraph 9.11 shall survive the expiration or termination of this Contract.

9.12 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION

9.12.1 Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third-party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's Work under this Contract. County shall inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Contractor's defense and settlement thereof.

9.12.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

9.12.2.1 Procure for County all rights to continued use of the questioned equipment, part, or software product; or

9.12.2.2 Replace the questioned equipment, part, or software product with a non-questioned item; or

9.12.2.3 Modify the questioned equipment, part, or software so that it is free of claims.

9.12.3 Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Contractor, in a manner for which the questioned product was not designed nor intended.

9.13 PROBATION AND SUSPENSION

9.13.1 Contractor may be placed on probation, suspension or a combination thereof when County determines that Contractor is not in compliance with any Service, Work, task, deliverable or requirement outlined in this Contract and/or when Contractor has demonstrated a consistent and significant lack of achievement of the Contract goals (including, but not limited to, meeting the requirements for Program performance, the Budget, expenditures, staffing, administration, etc.). County shall notify Contractor in writing in the event that Contractor is placed on probation, suspension or a combination thereof.

9.13.2 **Probation**

9.13.2.1 Probation as used herein shall mean a specified period of time (as determined by County) during which Contractor must remedy all areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Contractor's adherence to such remedy(ies) during the probation. County will determine whether or not Contractor may continue to provide Services during Contractor's probation and County will notify Contractor in writing of this determination. Contractor's ability to obtain future funding may be impacted when Contractor does not remedy its non-compliance during its probation and/or when Contractor is placed on multiple probations (as determined by County at County's sole discretion).

9.13.3 **Suspension**

9.13.3.1 Suspension as used herein shall mean a specified period of time (as determined by County) during which County will withhold payment from Contractor, County will institute a temporary curtailment of the Services provided by Contractor and its subcontractor(s), if any, or a combination thereof. During the suspension, Contractor has a continuing obligation to remedy the areas of non-compliance which have been identified by County or its duly authorized representative(s).

County shall monitor Contractor's adherence to such remedy(ies) during the suspension. When County institutes a temporary curtailment of Services, County shall provide Contractor a written description of the Service(s) being suspended. When applicable, County may also provide Contractor a written determination stating whether or not Contractor may continue to provide non-suspended Services, if any, during the suspension. At County's sole discretion, when Contractor's payment(s) and/or Services are suspended, County may also elect to transfer suspended Services from Contractor to another contractor for a period of time that will be determined solely by County. Contractor's ability to obtain future funding may be impacted when Contractor does not remedy its non-compliance during its suspension and/or when Contractor is placed on multiple suspensions (as determined by County at County's sole discretion).

9.13.4 County's written notice of probation or suspension shall set forth the conditions of Contractor's non-compliance as well as the period in which Contractor must correct noted deficiencies. In response to the notice of probation or suspension, Contractor shall submit a written Corrective Action Plan to County's Compliance Manager within ten (10) days of the postmark date indicated on the notice from County. Contractor's Corrective Action Plan shall address all of the deficiencies noted by County.

9.13.5 County shall review Contractor's Corrective Action Plan, and will determine whether it meets the requirements for County's approval. County reserves the right to suspend/deduct payments for or to terminate all or any part of this Contract (and/or any of Contractor's other contracts with County) when Contractor submits a Corrective Action Plan that is not acceptable to County.

9.13.6 Contractor shall implement the Corrective Action Plan upon receiving County's final written approval of the Corrective Action Plan. Contractor's failure to comply with an approved Corrective Action Plan will be cause for material breach of Contract upon which County may pursue the remedies for default of Contract.

9.14 TRANSITION OF CONTRACT SERVICES

9.14.1 Completion of Contract

9.14.1.1 Within sixty (60) calendar days prior to the expiration of this Contract (or shorter time period if notified in writing by County), Contractor shall allow County or a newly selected contractor a transition period for orientation purposes and the orderly transition of Contractor's current Services without additional costs to County. Contractor shall continue to provide Services timely and accurately so that the Services are current at the expiration of this Contract.

9.14.2 Transition Plan

9.14.2.1 If this Contract (or any part thereof) is terminated pursuant to any of the termination provisions outlined herein or if it expires pursuant to Paragraph 4.0 (Term of Contract), Contractor shall provide a Transition Plan to County. Contractor shall submit said Transition Plan to County's Contract Manager within the timeframe designated by County in the notice of termination or Contractor shall submit it at least sixty (60) days prior to the expiration of this Contract as noted in Paragraph 4.0 (Term of Contract).

9.14.2.2 County shall review Contractor's Transition Plan and will determine whether it meets the requirements for County's approval. County reserves the right to suspend/deduct payments under this Contract and/or under any of Contractor's other contracts with County when Contractor submits a Transition Plan that is not acceptable to County. Contractor shall adhere to the Transition Plan which, at a minimum, shall include all of the elements outlined below.

9.14.3 **Elements of the Transition Plan**

9.14.3.1 Description of how Clients will be notified about the change in their Service provider.

9.14.3.2 Contractor's method to communicate with other organizations that can assist in locating alternative Services.

9.14.3.3 Contractor's method to inform community referral sources of the pending termination of Services and what alternatives, if any, exist for future referrals.

9.14.3.4 Contractor's method to evaluate Clients in order to assure appropriate placement that will allow Clients to receive Services.

9.14.3.5 Contractor's method to transfer any confidential medical and Client records to the new contractor in accordance with applicable provisions of the Health Insurance Portability and Accountability Act of 1996 or other Federal, State or local laws and regulations.

9.14.3.6 Contractor's method to dispose of confidential records in accordance with applicable laws and regulations, and the terms of this Contract.

9.14.3.7 Contractor's plan to assure for the provision of adequate staff to provide continued care through the remaining term of this Contract.

9.14.3.8 A full inventory and method to dispose, transfer, or return to County all equipment purchased with Contract Funds during the entire term of this

Contract.

9.14.3.9 Any additional information which may be necessary to effect a safe transition of Clients to other community service providers.

9.14.4 **Implementation of the Transition Plan**

9.14.4.1 Contractor shall implement the Transition Plan that is approved by County. Contractor's failure to provide and/or implement the Transition Plan as prescribed herein shall mean that County will provide Contractor a Transition Plan and Contractor will implement the Transition Plan provided by County. County will monitor Contractor's progress in carrying out all elements of the Transition Plan.

9.15 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

9.15.1 This Contract is subject to the provisions of Los Angeles County's ordinance entitled Transitional Job Opportunities Preference Program, as codified in Los Angeles County Code Chapter 2.205.

9.15.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

9.15.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

9.15.4 If Contractor has obtained County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, Contractor shall:

9.15.4.1 Pay to County any difference between the Contract amount and what County's costs would have been if this Contract had been properly awarded;

9.15.4.2 In addition to the amount described in Sub-paragraph 9.15.4.1, be assessed a penalty in an amount of not more than ten percent (10%) of the amount of this Contract; and

9.15.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).

9.16 TRAVEL EXPENSES

9.16.1 Contractor shall obtain prior written approval from County's Contract Manager for any expenses under this Contract related to travel outside of Los Angeles County.

9.16.2 Contractor shall maintain written documentation evidencing that all out-of-town travel expenses are specifically related to providing Services under this Contract, in conformity with the document retention requirements specified in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement), above.

9.16.3 Contractor shall ensure that no more than two (2) of its staff incur any out-of-town travel expenses at any time.

9.16.4 Contractor shall not invoice County if out-of-town travel expenses are incurred without proper documentation evidencing County's prior written approval.

9.16.5 Contractor's non-compliance with the requirements of this Sub-paragraph will result in these costs being disallowed, payments being withheld or other remedy being applied as County shall determine to be appropriate.

9.17 DRUG-FREE WORKPLACE

9.17.1 Contractor and its subcontractors(s) shall adhere to the requirements outlined in the California Drug-Free Workplace Act of 1990, as amended (California Government Code Section 8350 et seq.). Contractor and its subcontractors(s) shall also adhere to the requirements outlined in the Federal Drug-Free Workplace Act of 1988, including its implementing regulations (41 USC 701 et seq.). Contractor and its subcontractor(s) shall provide and maintain a drug-free workplace for all of their employees, and shall have a documented anti-drug policy and a drug-free awareness program. Violation of or non-compliance with these requirements by Contractor, its subcontractor or both shall subject Contractor to remedies available under the terms of this Contract. Such remedies shall include suspending Contractor's payments, placing Contractor on probation or suspension, terminating this Contract or other available remedies which shall be determined by County at its sole discretion.

9.17.2 Contractor shall provide a written drug-free workplace policy statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and stating the specific actions that will be taken for violations.

9.17.3 The ongoing drug-free awareness program must inform employees about the following: the dangers of drug abuse; available drug counseling, rehabilitation, and employee assistance programs; penalties that may be imposed; and, that employees are to be aware that Contractor and its subcontractor(s) operate a drug-free workplace.

9.17.4 Contractor shall require its employees to report in writing any conviction for a violation of a criminal drug statute occurring in

the workplace. Contractor shall provide written notice to County's Contract Manager within ten (10) days of having received such notice from employee(s). Within thirty (30) days of receiving the notice of a conviction, Contractor must have taken appropriate action against the employee(s) or have required employee's participation in a drug abuse assistance or rehabilitation program.

9.18 DATA DESTRUCTION

9.18.1 When Contractor and its subcontractor(s) have maintained, processed, or stored County data and/or information, implied or expressed, Contractor and its subcontractor(s) shall have the sole responsibility to certify that the data and information have been appropriately destroyed consistent with the current National Institute of Standards and Technology Special Publication SP 800-88 titled, *Guidelines for Media Sanitization*, which is available on-line at: http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88-Rev.%201. County shall have sole authority to determine when Contractor and any subcontractors shall destroy any such data and/or information as described herein, and Contractor and any subcontractors shall only proceed upon written authorization from County.

9.18.2 The data and/or information may be stored on purchased, leased, or rented electronic storage equipment (e.g., printers, hard drives) and electronic devices (e.g., servers, workstations) that are geographically located within Los Angeles County, or external to Los Angeles County's boundaries. County must receive within ten (10) business days, a signed document from Contractor which certifies and validates that the data and information were placed in one (1) or more of the following stored states: unusable, unreadable, and/or indecipherable.

9.18.3 Subcontractor(s) shall certify that any County data stored on purchased, leased, or rented electronic storage equipment and electronic devices, including, but not limited to printers, hard drives, servers, and/or workstations are destroyed consistent with the current National Institute of Standards and Technology Special Publication SP 800-88 titled, *Guidelines for Media Sanitization.* Subcontractor shall provide County's Contract Manager with written certification, within ten (10) business days of removal of any electronic storage equipment and devices, that validates that any and all County data was destroyed and is unusable, unreadable, and/or undecipherable.

9.19 REMEDIES FOR NON-COMPLIANCE

9.19.1 Contractor agrees to comply with the requirements set forth in the entirety of this Contract as well as the requirements contained in supporting Program legislation and all applicable directives, notices, guidelines and instructions issued by or on behalf of Federal, State or County authorities. Contractor's failure to comply with such requirements shall subject Contractor to remedies which are available under this Contract and as provided by law. These remedies include but are not limited to the following: probation; suspension of payment(s); suspension of Services; assessment and collection of liquidated damages;

de-obligation of Contract Funds (for purposes of this Contract, de-obligation is the partial or full removal of Contract Funds from Contractor); re-obligation of Contract Funds (for purposes of this Contract, re-obligation is the allocation of de-obligated Contract Funds to another current contractor(s) and/or to a new contractor); debarment; and/or termination of this Contract. County shall have the sole discretion to determine which remedy(ies) will be applied as a result of Contractor's non-compliance.

9.20 DISABLED VETERAN BUSINESS ENTERPRISE PREFERENCE PROGRAM

9.20.1 This Contract is subject to the provisions of Los Angeles County's ordinance entitled Disabled Veteran Business Enterprise Preference Program, as codified in Los Angeles County Code Chapter 2.211.

9.20.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Disabled Veteran Business Enterprise.

9.20.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Disabled Veteran Business Enterprise.

9.20.4 If Contractor has obtained County certification as a Disabled Veteran Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, Contractor shall:

9.20.4.1 Pay to County any difference between the Contract amount and what County's costs would have been if this Contract had been properly awarded;

9.20.4.2 In addition to the amount described in Sub-paragraph 9.20.4.1, be assessed a penalty in an amount of not more than ten percent (10%) of the amount of this Contract; and

9.20.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).

9.21 PAYMENT BOND

9.21.1 Throughout the entire term of this Contract, Contractor shall maintain a faithful Payment Bond as a condition of providing Services hereunder. Such Payment Bond shall be in an amount that is not less than thirty percent (30%) of the Maximum Annual

Contract Sum for each Fiscal Year of the Contract term (hereafter "Payment Bond Amount"). When this Contract is funded for one (1) Fiscal Year term then the Payment Bond shall be in an amount that is not less than thirty percent (30%) of the Maximum Contract Sum (also hereafter "Payment Bond Amount"). In either case, such Payment Bond shall be payable to County, and must be executed by a corporate surety admitted to transact business as a surety insurer in the State of California (or it may be executed by the surety's agent provided that a notarized copy of a power of attorney is included). The corporate surety must have an A.M. Best Rating of not less than A:VII, unless otherwise approved in writing by County. The admitted surety and its agent shall have sufficient bonding limitations to provide the Payment Bond Amount.

9.21.2 The Payment Bond shall be conditioned upon Contractor's faithful and timely payment to its subcontractor(s) in a manner that is satisfactory and acceptable to County, as determined by County at its sole discretion. The Payment Bond shall be renewed in a timely manner to provide for continuing liability in the Payment Bond Amount indicated herein, notwithstanding any payment or recovery thereon. Upon written demand by County, Contractor may remit the Payment Bond Amount indicated herein to County, using either a negotiable instrument made payable to County (including, but not limited to, a certificate of deposit, an irrevocable letter of credit, certified check or cashier's check) or cash in lieu of the Payment Bond; such substitution shall be determined by County at its sole discretion. Contractor shall pay all security premiums, costs, and incidentals associated with the Payment Bond. Contractor's failure to maintain coverage or to maintain the required security premiums shall constitute a material breach of this Contract upon which County may immediately terminate or suspend this Contract or pursue any other remedies available under this Contract and as provided by law; such remedies shall be determined by County at its sole discretion.

IN WITNESS WHEREOF, Contractor has executed this Contract or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Contract to be executed on its behalf by the Director of Community and Senior Services, on the day and year first above written. The person(s) signing on behalf of Contractor warrant under penalty of perjury that he or she is authorized to bind Contractor. Contractor and County acknowledge that this Contract shall not be deemed to be active until such time that the document is executed by the respective authorized representatives of both Contractor and County.

COUNTY OF LOS ANGELES

By _____ _____

Cynthia D. Banks, Director
County of Los Angeles
Community and Senior Services

Date

CONTRACTOR

_____

Contractor's Legal Name

_____

Contract Number

By _____ _____

Name of Authorized Representative

Date

_____

Title

_____

Signature

By _____ _____

Name of Authorized Representative

Date

_____

Title

_____

Signature

Approved as to Form:

OFFICE OF COUNTY COUNSEL
John F. Krattli, County Counsel

BY_____

Name

_____

Title

_____

Signature

EXHIBIT A

STATEMENT OF WORK

Applicable Statement of Work(s), which is part of the RFP, will be inserted upon Contract award

EXHIBIT B

BUDGET

Applicable Budget(s), which is part of the RFP, will be inserted upon Contract award

EXHIBIT C

WORKFORCE INVESTEMENT ACT

CASH MANAGEMENT POLICY

Revised Cash Management Policy will be inserted upon Contract award

EXHIBIT D
(CONTRACTOR'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION)

Contractor's Name _____ Contract Number _____

Address _____

Internal Revenue Service Employer Identification Number _____

GENERAL CERTIFICATION

In accordance with Los Angeles County Code Section 4.32.010, Contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

1. Contractor has a written policy statement prohibiting discrimination in all phases of employment. ☐ Yes ☐ No
2. Contractor periodically conducts a self-analysis or utilization analysis of its workforce. ☐ Yes ☐ No
3. Contractor has a system for determining if its employment practices are discriminatory against protected groups. ☐ Yes ☐ No
4. Where problem areas are identified in employment practices, Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. ☐ Yes ☐ No

Name of Authorized Representative (Print) _____ Signature _____

Title of Authorized Representative (Print) _____ Date _____

EXHIBIT E
(COUNTY'S ADMINISTRATION)

FISCAL YEAR: 2014/15

COUNTY'S DEPARTMENT HEAD

Name:	Ms. Cynthia D. Banks
Title:	Director
Address:	3175 West Sixth Street
	Los Angeles, Ca 90020
Telephone:	(213) 637-0798
E-Mail Address:	cbanks@css.lacounty.gov

COUNTY'S CONTRACT MANAGER

Name:	Ms. Christine Frau
Title:	Administrative Services Manager II
Address:	3175 West Sixth Street
	Los Angeles, Ca 90020
Telephone:	(213) 351-5090
E-Mail Address:	cfrau@css.lacounty.gov

COUNTY'S PROGRAM MANAGER

Name:	Ms. Magdalena Mireles
Title:	Program Manager
Address:	3175 West Sixth Street
	Los Angeles, Ca 90020
Telephone:	(213) 738-2198
E-Mail Address:	mmireles@css.lacounty.gov

COUNTY'S COMPLIANCE MANAGER

Name:	Ms. Jackie Lynn Sakane
Title:	Program Manager
Address:	3175 West Sixth Street
	Los Angeles, Ca 90020
Telephone:	(213) 739-7321
E-Mail Address:	jsakane@css.lacounty.gov

EXHIBIT F
(CONTRACTOR'S ADMINISTRATION)

CONTRACTOR'S NAME: _____

CONTRACT NUMBER: _____

FISCAL YEAR: _____

CONTRACT SERVICES: _____

CONTRACTOR'S PROJECT DIRECTOR

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S AUTHORIZED REPRESENTATIVE(S)

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

INVOICES - AUTHORIZED SIGNER

Name: _____

Title: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Signature: _____

NOTICES TO CONTRACTOR SHALL BE SENT TO:

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

EXHIBIT G
(CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT)

GENERAL INFORMATION

As referenced herein, Contractor has entered into this Contract with County to provide Services outlined in this Contract. County requires Contractor to adhere to the requirements outlined in Paragraph 7.5 (Confidentiality) of this Contract, this Exhibit G and Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) – if/when Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) is included with this Contract – as a condition of the Work to be provided by Contractor under this Contract. By signing herein, Contractor certifies that Contractor and Contractor's Staff (defined below) shall adhere to these requirements.

CONTRACTOR ACKNOWLEDGEMENT

Contractor understands and agrees that Contractor employees, volunteers, consultants, outsourced vendors and independent contractors, (collectively "Contractor's Staff" as used herein) that provide Services under this Contract are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff rely exclusively upon Contractor for any payment of salaries and all other benefits payable by virtue of Contractor Staff's performance of Work under this Contract.

Contractor understands and agrees that Contractor and Contractor's Staff are not employees of County for any purpose whatsoever. Contractor and Contractor's Staff do not have and will not acquire any rights or benefits of any kind from County by virtue of Contractor's performance of Work under this Contract. Contractor understands and agrees that neither Contractor nor Contractor's Staff will acquire any rights or benefits from County pursuant to any agreement between any person or entity and County.

CONFIDENTIALITY AGREEMENT

Access and Security to Confidential/Protected Information

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County of Los Angeles. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff shall protect the confidentiality of such data and information when it is involved in County Work.

Contractor and Contractor's Staff agree to keep all of the following data and information confidential and protect them against disclosure to any unauthorized person or entity: health, criminal, and welfare recipient records; data and information pertaining to persons and/or entities receiving services from the County of Los Angeles; design concepts; algorithms; programs; formats; documentation; Contractor's proprietary information; proprietary information supplied by other County vendors that is provided to Contractor or Contractor's Staff during the term of this

Contract; and, other original materials produced, created, or provided to Contractor and Contractor's Staff under this Contract.

Data and information received from Federal, State, County or local departments/agencies are confidential when they identify an individual or an employing unit. Confidential information is not open to the public and requires special precautions to protect it from loss, unauthorized use, access, disclosure, modification, and destruction. Contractor and Contractor's Staff shall keep all information furnished by a Federal, State, County or local agency/department strictly confidential, and will make the information available to Contractor's Staff on a "need-to-know" basis, as specifically authorized in this Contract. Contractor shall instruct all of Contractor's Staff with access to Federal, State, County or local information on the confidentiality of this information and the sanctions related to unauthorized use and disclosure.

Applicable Confidentiality Laws

Contractor shall comply with all applicable laws pertaining to confidentiality. This shall include, but is not limited to, the confidentiality provisions of the California Welfare and Institutions Code, Section 10850 and the California Department of Social Services, Division 19, Manual of Policies and Procedures – Confidentiality, Fraud, Civil Rights, and State Hearings.

Contractor shall have written procedures to protect the confidentiality and privacy of Client information collected for purposes of the Program, in accordance with all applicable laws and regulations.

Disclosure of Confidential Information

Contractor and Contractor's Staff shall not divulge to any unauthorized person confidential or non-confidential data or information about Client (or obtained from Client in a form that identifies that person) which has been obtained while performing Work pursuant to this Contract. Contractor shall send written notice to County's Contract Manager within five (5) business days prior to the release of such information when:

- Contractor receives a request for the release of any data or information unless the request is made by County or its duly authorized representatives. Contractor shall not release said information without County's prior written approval.
- Requests to obtain confidential records are made through the legal process.

Records with Client names, addresses and phone numbers shall:

- Be available only to Contractor's Staff who are authorized to assist Client.
- Remain in a secure, locked file or secure area to protect confidentiality of the records.
- Be removed from data or information used for reporting and planning purposes and from data or information made available to the public unless Client's documented consent has been obtained.

Consistent with all applicable laws, Contractor shall maintain the confidentiality of any information pertaining to Clients and the immediate family of any applicant or Client when such information may be obtained through application forms, interviews, tests, reports from public agencies or counselors, or any other source. Contractor shall receive written permission from both Client and County before releasing such information unless disclosure is required under the following conditions:

- By court process, order, or decree.
- For information which is necessary for the administration and monitoring of the performance, operation or evaluation of this Contract.
- Upon request from Federal, State and County governmental authorities consistent with all applicable laws.

Contractor shall send written notice to County's Contract Manager within twenty-four (24) hours upon discovery of:

- Any actual or suspected misuse, misappropriation, unauthorized disclosure of, or unauthorized access to confidential information.
- Unauthorized access gained to computer(s) used by Contractor and Contractor's Staff, containing confidential information related to this Contract, including the names and information of referred Clients. Unauthorized access may include a virus or worm that penetrates and gains access to a computer and places a back door or keystroke logger on it, or a directed hack/crack that gains access to and some control over a computer.
- Any and all violations of the confidentiality and protected information provisions of this Contract made by Contractor, Contractor's Staff and/or by any other person of whom Contractor becomes aware.

Return/Destruction of Confidential Records

Contractor agrees to store and process information electronically, in a manner that renders it irretrievable by unauthorized computer, remote terminal, or other means. When no longer in use, Contractor shall promptly return confidential information to County's Contract Manager and/or destroy all copies/derivations. A method of confidential information destruction must be approved by County and thereafter must be used by Contractor. Approved methods include shredding, burning, or certified or witnessed destruction. Contractor shall demagnetize magnetic media and return it to County's Contract Manager.

Certification

Contractor assumes sole responsibility for Contractor's Staff in the maintenance of confidentiality as provided in the entirety of this Contract. Contractor and Contractor on behalf of Contractor's Staff acknowledge that violation of the provisions herein may subject Contractor and Contractor's Staff to civil and/or criminal action and that County may seek all possible legal redress.

Contractor's Name	Contract Number
Name of Authorized Representative (Print)	Signature
Title of Authorized Representative (Print)	Date

EXHIBIT H
(CONTRACTOR EMPLOYEE JURY SERVICE)

Los Angeles County Code
Title 2 (Administration)
Chapter 2.203.010 through 2.203.090
Contractor Employee Jury Service

2.203.010 Findings.

The Board of Supervisors makes the following findings. The County of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the County of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the County of Los Angeles has determined that it is appropriate to require that the businesses with which the County contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002).

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more such contracts or subcontracts.

B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.

C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:

1. A contract where the Board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or

2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or

3. A purchase made through a state or federal contract; or

4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or

5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or

6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or

7. A non-agreement purchase with a value of less than $5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or

8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:

1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or

2. The contractor has a long-standing practice that defines the lesser number of hours as full time.

E. "County" means the County of Los Angeles or any public entities for which the Board of Supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.

B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the Board of Supervisors the termination of the contract; and/or,

2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

2.203.070. Exceptions.

A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.

B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.

C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:

1. Has ten or fewer employees during the contract period; and,

2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than $500,000; and,

3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

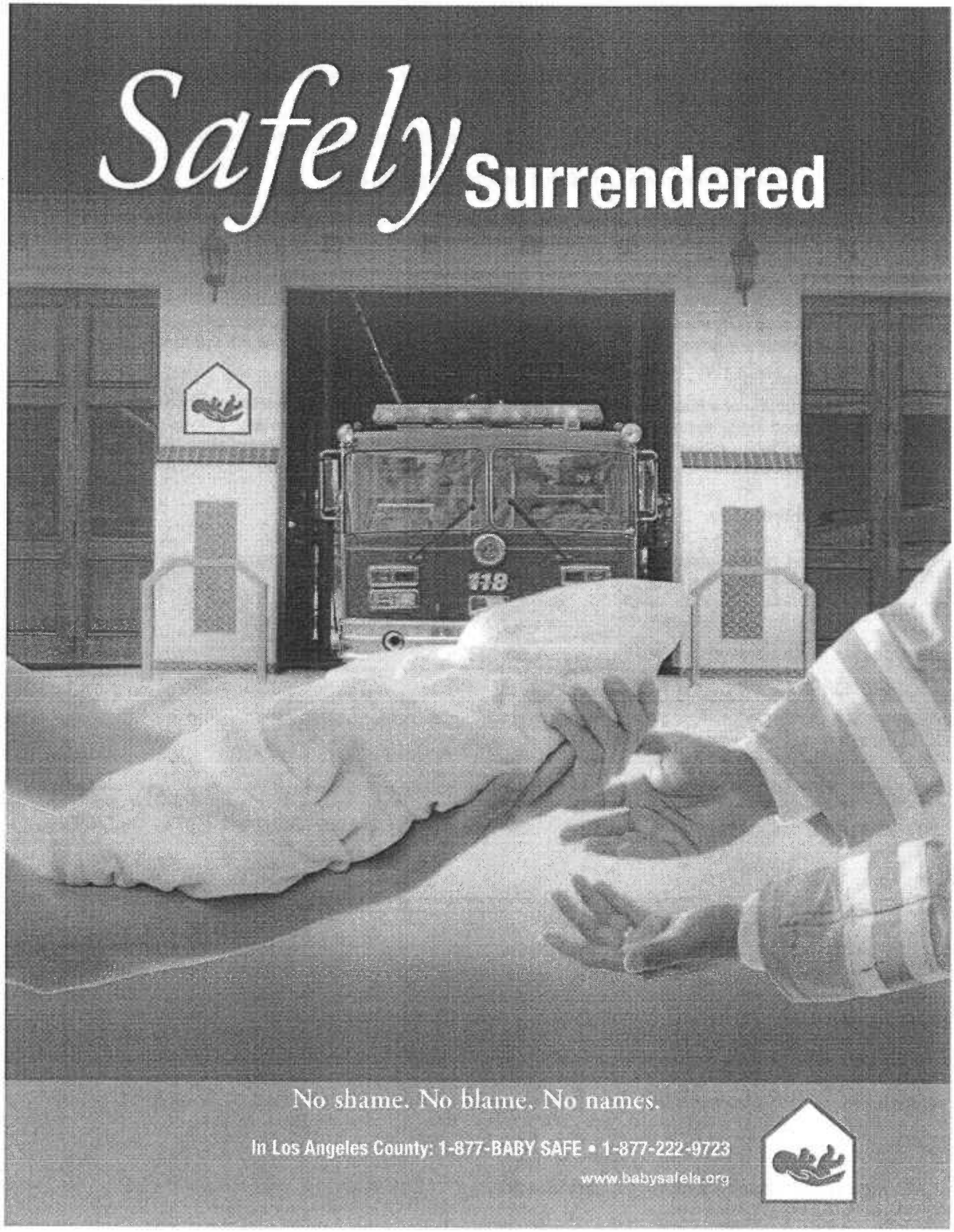
"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed $500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002.

EXHIBIT I
(SAFELY SURRENDERED BABY LAW FACT SHEET)



In Los Angeles County: 1 877 BABY SAFE 1 877 222 9723
www.babysafela.org

Safely Surrendered *Baby Law*

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

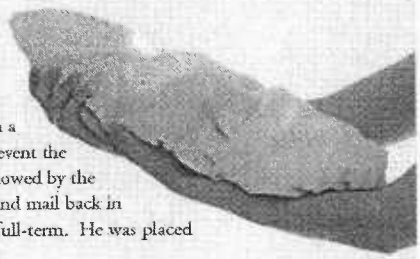
What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story



Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.

Ley de Entrega de Bebés *Sin Peligro*

Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723
www.babysafela.org

Ley de Entrega de Bebés *Sin Peligro*

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres o otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan *si tienen custodia legal.*

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.

GLOSSARY OF TERMS

A

Action Plan - A sequence of steps that must be taken, or activities that must be performed well by the Skills/Talent Development Team, such as in-depth skill assessment, career counseling, coaching, etc. to ensure that participants receive services necessary to improve their skills and make them more employable.

B

Basic Skills - Basic education skills including reading comprehension, math computation, writing, speaking, listening, problem solving, reasoning and the capacity to use these skills in the workplace.

C

Career Assessment - An assessment that helps the skill /talent development team learn more about the jobseeker's interests, skills, values, and preferences as they relate to choosing a career.

Career Exploration Activity – The act of searching and identifying future and better career path for the job seeker.

Career planning - Structured exercise undertaken to identify job seeker's objectives, marketable skills, strengths, and weaknesses as part of identifying and managing the job seeker's career.

Career/Technical Education - consists of services the job seeker receives with regard to his/her journey through learning, work and other aspects of life relating to specialized field of education.

Center Orientation Information - consist of series of introductory information about WIA and the AJCC designed to acquaint participant with the services available at the center.

Coaching - is a learning and development process that enables a job seeker, with the support of AJCC staff, in making real, lasting positive change in thought process and desire thereby achieving full potential to find, secure and keep good job.

Communications and Attitudes – this involves providing participants with information to propel their daily communication skills and positive attitude to new levels that will enable them secure and keep good jobs.

Communication Skills - is a skill set that enables participants to effectively exchange information and create a positive impact on potential employers, and other individuals including colleagues at workplace.

GLOSSARY OF TERMS

Computer Literacy, - is the knowledge and ability of the job seeker to use computer programs and related technology efficiently, with a range of skills covering levels from elementary use to programming and advanced problem solving.

Coaching - is a learning and development process that enables a job seeker, with the support of AJC staff, in making real, lasting positive change in thought process and desire thereby achieving full potential to find, secure and keep good job.

Computer Literacy - is the knowledge and ability of the job seeker to use computer programs and related technology efficiently, with a range of skills covering levels from elementary use to programming and advanced problem solving.

Counseling - involves giving guidance to job seeker to achieve his/her career goals. The AJC staff utilizes information from the job seeker's background, testing interests, aptitudes, and labor market information, etc. to offer learning and personal support to the job seeker on wide range of career and behavioral issues.

Customer - Customers are individuals who access any AJCC universal access services in the resource room as described in section 2.12.1, but who do not enroll in WIA Adult or Dislocated Worker programs. Those customers who enroll in the WIA Adult or Dislocated programs are WIA Participants.

Customer's First Visit, the customer's first visit forms a basis for consultation and conducting the initial assessment.

Customer Pool - A distinctly identifiable customer data center created by the Welcome Team at the AJCC by reviewing all customers background, demographic and skills information sequenced into WIA Adult, Dislocated Worker, WIA Older Youth, Wagner-Peyser Job Service, Trade Adjustment Assistance, and Veterans programs. This sequence of program characters makes it easy to associate customers to various WIA programs.

Customized Training -- Training that:

1) Is designed to meet the special requirements of an employer or group of employers.
2) Is conducted with a commitment by the employer(s) to employ an individual upon successful completion of the training; and
3) Not less than 50 percent of the cost of the training is paid by the employer(s).

Customized Recruitments, - Specialized recruitment services designed for specific industry or organization. To execute this, the AJC Business Service Representative visits the business(s) to learn about the operations and culture, and to discuss the workforce needs prior to embarking in the recruitment exercise.

GLOSSARY OF TERMS

E

Earn and Learn Activities – Are specialized WIA training programs that allow participants to earn income while acquiring new skills in a given work environment. Such training programs include On the–Job-Training (OJT) and Customized Training.

Economic Development Entities - Agencies responsible for, promoting and assisting in local economic development, including local planning, zoning and community development in the County of Los Angeles, such as, Los Angeles County Economic Development Corporation (LAEDC).

Eligibility -The client is eligible for the Adult WIA program if the individual is age 18 or older.

Employment/Engagement Package – Consist of a set of policy documents given to new clients containing information in compliance with WIA requirements such as, offer letter, confidentiality agreements, etc.

Employment Networking, - helping employers and job seekers find each other using forums such as job fair, Facebook etc.

Employer Orientations and Interviews,- A process of introducing and guiding the employer through WIA eligibility requirements, benefits and, conditions for placing participants in work experience, OJT, customized training, apprenticeship, etc.

Employment Services – are the AJCC activities such as job search assistance, including career counseling, job placement, internships, job shadowing, and training opportunities that help job seekers find good jobs.

English-language Training that is part of vocational skills training, means a program of instruction designed to help individuals of limited English proficiency achieve competence in the English language.

Enrollment – The period of participation in a specific program from receipt of first program-funded service through exit.

F

Financing Information, - providing information on sources of financing and managing the financial resources of an organization.

I

In-depth Skills Assessment; A formal and extensive process utilizing interviewing, counseling or testing to determine an individual's, skills, employability, aptitudes,

GLOSSARY OF TERMS

abilities, interests and general health to develop a plan to achieve the individual's employment and related goals.

Individual Employment Plan (IEP) -- An individual plan for adults and dislocated workers which includes an employment goal (including consideration of nontraditional employment), appropriate achievement objectives and the appropriate combination of training and support services for the participant based on the objective assessment.

Industry Specific/General Job Fairs - is a structured forum where employers are linked with a pool of qualified job seekers to fill their job needs and in some occasions, with specific industry employers. Attending a job fair gives job seeker the chance to meet with representatives from a variety of companies. The company representatives provide information about general career opportunities as well as specific details on current openings.

Information/Transition Workshops/Activities – A form of job search assistance provided in a group setting. Usually job clubs provide instruction and assistance in completing job applications and developing resumes and focus on maximizing employment opportunities in the labor market and developing job leads. Many job clubs use telephone banks and provide group support to participants before and after they interview for job openings.

Initial assessment; is a brief, preliminary information gathering process to determine the individual's skill levels, aptitudes, interests, employability and other needs.

Interview Techniques – Expert advice to job seeker on how to respond to various questions designed to gather information on the suitability of a candidate to fill a job opening and what to do after the interview is over.

Interviewing Assistance – Assisting the job seeker to master the techniques of responding positively to question designed to gather information on the suitability of a candidate to fill a job opening.

J

Job Advancement or Upgrade Training, - Training provided for the purpose of upgrading the skills and/or advancing the client career.

Job Coaching/Career Counseling, Services that specifically assist participants find jobs and create a personalized roadmap for career success.

Job Clubs –Job club is a networking venue that serves as a supporting group and enables WIA participants to expand their network of contacts. This involves a structured job search activity for a group of participants who develop common objective during

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their time of learning and working together, supporting one another in their respective job search process.

Job Development - The process of preparing a WIA participant for a job and marketing the participant to employers, including informing employers about what the participant can do and asking for a job interview for that individual with the employer.

Job Matching and Referrals - referring the right job seeker to the right job. Job matching specifies how job seeker's attribute values such as skills; education, experience, work habit etc. are matched to specific job/position requirements.

Job Identification is the process of collecting specific description of a job position, along with skills required to perform the individual tasks of the position into a document. This process is used at the outset of the recruiting process to define when a new position is needed and to outline what the position entails.

Job Posting Information, - information about job announcements from agencies such as CalJobs, Monsters, LinkedIn, etc.

Job Readiness Training – A measurable increase in work readiness skills such as soft skills, including world-of-work awareness, labor market knowledge, occupational information, values clarification and personal understanding, career planning and decision making, and job search techniques (resumes, interviews, applications and follow-up letters).

Job Retention, The ability to keep a job for a certain period of time, usually 90 or 180 days or more, which shows that a worker has the skills to fit into the workplace and succeed in a job.

Job Search Information - information that focuses on building practical skills and knowledge to identify and initiate employer contact and conduct successful interview with employers. Various approaches may be used to include participation in a job club, receive instruction in identifying personal strengths and goals, resume application preparation, learn interview techniques, and receive labor market information. Job search assistance is often self-service activity in which individuals obtain information about specific job openings or general jobs or occupational information.

L

Labor Market Information (LMI) – this shows the County of Los Angeles economic health in order to help people understand the County's economy and make informed labor market choices, by providing information on economic indicators such as size of Industries, Occupations, Population, and census projections of employment, unemployment and labor force Wages. The LMI also explores current wages and trends by occupation, compare local wages, compare employment trends among occupations

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and districts, identify fast growing occupations, uncover occupations with most openings, and locate occupations with largest employment.

Live Workshops – training sessions where participants receive series of intensive course of instruction in a classroom setting with an AJCC staff conducting the workshop

N

Non-WARN – Employer's voluntary notification of impending lay-offs, either by self-report or Rapid Response Coordinator outreach inquiry. These employer lay-offs do not fall all under the WARN Act requirement.

O

On-line Intensive Service - allows participants using computer to receive WIA intensive services without the intervention of an AJCC staff. Intensive services workshops for group counseling and case management, career planning, and pre-vocational services workshops to prepare customer for unsubsidized employment such as, but not limited to, development of learning skills, communication skills, interviewing skills, resume preparation, punctuality, personal maintenance skills, professional conduct, workforce intelligence, employment networking, job coaching and career counseling.

On-line Workshop – on-line training that allows participants using computer to receive course of instruction without the physical intervention of an AJCC staff. On-line workshops include activities such as, but not limited to, orientations, eligibility determination, assessments, communications and attitudes, world of work concepts, stress and time management, resetting job seeker strategies, job search methods in the current job market, financial literacy, computer literacy and other administrative skills, labor market information.

On-the-Job Training (OJT) -- Training by an employer that is provided to a paid participant while engaged in productive work that:

- Provides knowledge or skills essential to the full and adequate performance of the job,
- Provides reimbursement to the employer of up to 50 percent of the wage rate of the participant, for the extraordinary costs of providing the training and additional supervision related to the training; and
- Is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant and the service strategy of the participant, as appropriate.

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Occupational Skills Training – Imparting to the job seeker the actual tasks and technical skills required by certain occupational fields at entry, intermediate or advanced levels, as well as the use of set-up procedures, safety measures, work-related terminology, record keeping and paperwork formats, tools, equipment and materials, and breakdown and clean-up routines.

Online training/distance learning - mode of delivering training and instruction through a computer network to job seekers who are not physically present in a traditional classroom setting.

P

Participant - An individual who has been determined eligible to participate in WIA program and has received a staff assisted service in either a physical location (e.g. at AJCC or affiliate site) or remotely through electronic technologies.

Performance Measure -- A method by which WIA program performance is evaluated. Performance standards are established for the performance measures in order to determine whether the basic objectives of WIA are being met.

Personal Maintenance Skills – this is synonymous with soft skills, including the ability to take care of your health and physical appearance.

Pre-employment Skills - These are job ready skills designed to equip a job seeker with skills such as interviewing skills that will enable him/her secure a job.

Pre-screening and Referral, - An activity designed to screen in advance a prospective new client before a more detailed selecting process.

Pre-vocational Services Workshops – these are workshops that prepare customers for unsubsidized employment such as, but not limited to, development of learning skills.

Professional Conduct - to WIA participants, it is the ability to conduct oneself with dignity, class, integrity and maturity. A professional handles him or herself with pride and finesse. Employers are looking for people who can handle the day-to-day activities of their organization without losing their temper, bickering with others or lying and cheating to climb the corporate ladder.

Punctuality – this is an integral part of the soft skills taught to participants to enable them function successfully in a workplace by strict observance in keeping engagements, promptness, being able to complete a required task or fulfill an obligation before or at a previously designated time.

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R

Registration – The process by which a potential participant provides basic demographic and eligibility information.

Resetting Job Seeker Strategies - the process of combining and employing various means of job search in planning and directing job seeker about specific job openings or general jobs or occupational information.

Resume - The basic document that shows a job candidate's employment and academic qualifications, and history of employment. It is a requirement to apply for most jobs and an opportunity to show why the candidate is best suited for the job.

Resume Preparation Assistance - This involves guiding the job seeker on how to create the basic document that shows a job candidate's employment and academic qualifications, and history of employment. It is a requirement to apply for most jobs and an opportunity to show why the candidate is best suited for the job.

S

Sector-focused partnerships - An arrangement in which businesses in the same industry sharing similar workforce characteristics within the Los Angeles County come together to advance their mutual workforce needs.

Self- Directed Service occurs when clients serve themselves in accessing information about the WIA program and related activities in a physical location, either such as a One-Stop Career Center resource room or partner agency, or remotely via the use of electronic technologies.

Skill Upgrading and Retraining – Training that is provided for the purposes of upgrading the skills and/or retraining the client.

Staff- Assisted Services – when clients are served by staff of One-Stop Career Center or partner agency in accessing information about WIA program and related activities such as center orientation, initial assessment etc. these activities become staff-directed services.

Stress and Time Management - Time management is a way to find the time for all the things you want and need to do. It helps participants decide which things are urgent and which can wait. In other words, prioritization is a good stress and time management technique.

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Subsidized Employment -- Employment created in the public sector, as well as employment in private-for-profit organizations, which is financed by WIA program funds. Subsidized employment includes work experience training such as on-the-job-training and customized training.

Soft Skills - Skills/abilities that enable someone to relate to others and adapt to a workplace environment and are necessary to being successful in the workplace. Soft skills are non-technical, intangible and personality-specific skills that coupled with concrete skills or "hard skills" offered through education or vocational training produce an employable person. Soft skills may include work habits (such as punctuality, appropriate attitude and behavior, cooperation, the ability to take constructive criticism), integrity, interpersonal skills, problem-solving, multitasking, making good and informed decisions, communicating with others, positive job attitude or managing oneself in the workplace, showing initiative and reliability, etc.

Supportive Services -- Services such as transportation, childcare, dependent care, housing, and needs-related payments that are necessary to enable an individual to participate in WIA activities.

T

Talent Development Plan (TDP) – To assess, plan and develop job seeker's capabilities, which allows the Skill/Talent Development Team to align and cultivate the job seeker's capabilities more systematically and effectively to a given career or job position. The TDP operates on the principle of "teach in accordance to aptitude". Based on a job seeker's individual function and responsibilities, the Skill/ Talent Development Team identifies work-related capabilities that need to be strengthened.

Tuition Assistance; - tuition assistance provides financial assistance for education /training programs in support of job seeker's journey towards acquiring improved skills.

V

Vocational Assessments – this assessment service is conducted after the initial need based screening; it includes diagnostic testing and use of other assessment tools, and in-depth interviewing to identify the occupation that best suits the participant.

Vocational Skills Training, consist of training designed to provide the job seeker with the necessary skills for specific job or career.

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W

WARN – Worker Adjustment and Retraining Notification (WARN) On January 1, 2003, California specific Worker Adjustment and Retraining Notification (WARN) requirements (Assembly Bill 2957, Chapter 4, Part 4, Sections 1400-1408, California Labor Code) became law. These Labor Code provisions expand upon requirements in the federal WARN legislation that was effective February 4, 1989.

WARN provides protection to employees, their families, and communities by requiring employers to give affected employees and other state and local representatives notice 60 days in advance of a plant closing or mass layoff. Advance notice provides employees and their families some transition time to adjust to the prospective loss of employment, to seek and obtain alternative jobs and, if necessary, to enter skills training or retraining that will allow these employees to successfully compete in the job market.

WIA Services – WIA services comprise of employment services and job training programs offered to employers, and those who are looking for work under WIA. Services funded by WIA may be provided in a physical location either (One-Stop Career Center or affiliate site) or remotely through electronic technologies.

World of work concepts – involves teaching the participants the necessary etiquettes to understand the workplace via, people, place and technology designed to make their working lives easier and more productive. These themes are interrelated and success depends on understanding and optimizing the overlap between them.

Workshops – training sessions where participants receive series of intensive course of instruction either on-line or in a classroom setting with an AJCC staff conducting the workshop

Workforce Intelligence - consist of gathering local and regional workforce information to identify the occupations and or industries that will provide the best opportunities for long-term employment.

EXHIBIT K
(ACCOUNTING, ADMINISTRATION AND REPORTING REQUIREMENTS)

The purpose of this Exhibit K is to establish required accounting, financial reporting, and internal control standards for Contractor.

The accounting, financial reporting and internal control standards described in this Exhibit K are minimums. These standards are not intended to be all inclusive or replace acceptable existing procedures or preclude the use of more sophisticated methods. Instead, this Exhibit K represents the minimum required procedures and controls that must be incorporated into Contractor's accounting and financial reporting systems. Contractor certifies that throughout the entirety of this Contract, it shall maintain the required level of staffing as outlined in this Contract. Therefore the internal control standards described herein are those that apply to Contractor's organization and Contractor shall comply with the intent of these standards and implement internal control systems in its performance of the Work hereunder. Contractor's subcontractors must also follow these standards unless otherwise stated in this Contract.

A. ACCOUNTING AND FINANCIAL REPORTING

1.0 Basis of Accounting

Contractor shall maintain written financial and accounting procedures which incorporate Generally Accepted Accounting Principles and Contractor shall adhere to the requirements set forth therein. Contractor may elect to use either the accrual basis or cash basis method of accounting for recording financial transactions. Monthly invoices must be prepared on the same basis that is used for recording financial transactions. All financial reports required by County shall be prepared by Contractor using accrual information and shall be submitted as directed by County.

1.1 County recommends the use of the accrual basis for recording financial transactions.

Accrual Basis

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

Accruals

Accruals shall be recorded observing the following:

- Only accruals where cash will be disbursed within six (6) months of the accrual date should be recorded.
- Recorded accruals must be reversed in the subsequent accounting period.

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

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

1.3 Prepaid Expenses

Prepaid expenses (e.g., insurance, service agreements, lease agreements, etc.) should only be expensed during a given Contract Fiscal Year to the extent goods and Services are received during that Fiscal Year.

ACCOUNTING SYSTEM

2.0 Contractor shall maintain a double entry accounting system (utilizing debits and credits) with a General Journal, a Cash Receipts Journal, a General Ledger, and a Cash Disbursements Journal. County recommends that a Payroll Register also be maintained. Postings to the General Ledger and Journals should be made on a monthly basis.

2.1 General Journal

A General Journal shall be maintained for recording adjusting entries, reversing entries, closing entries, and other financial transactions not normally recorded in the Cash Receipts Journal or Cash Disbursements Journal. Entries in the General Journal must be adequately documented, and entered in chronological order with sufficient explanatory notations.

Example:	DR	CR
Rent Expense	100	
Rent Payable		100

To record accrued rent to March 31, 20XX

2.2 Cash Receipts Journal

A Cash Receipts Journal shall be maintained for recording all cash receipts (e.g., County warrants, contributions, interest income, etc.). The Cash Receipts Journal shall contain the following column headings (minimum requirements):

- Date
- Receipt Number
- Cash Debit columns
- Income Credit columns for the following accounts:
  - County payments (one per funding source)
  - Contributions
  - Other Income (grants, sales of supplies/services, rental income, miscellaneous revenue, fees, etc.)
- Description (entries in the description column must specify the source of cash receipts)

2.3 Cash Disbursements Journal

A Cash Disbursements Journal shall be maintained for recording all cash disbursements (e.g., rent, utilities, maintenance, etc.)

The Cash Disbursements Journal shall contain the following column headings (minimum requirements):

- Date
- Check Number
- Cash (Credit) column
- Expense Account name
- Description

Note (1) Separate expense columns are recommended for salary expense and other recurring expense classifications for each Program.

Note (2) Entries in the description column must specify the nature of the expense and the corresponding expense classification if not included in the column heading.

Note (3) Checks should not be written to employees (other than payroll, mileage, travel, and petty cash custodian checks).

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

Disbursements without supporting documentation will be disallowed on audit. Cancelled checks and credit card statements (VISA, AMEX, department store, etc.) will not constitute acceptable support. See Sub-sections A.3.2 (Supporting Documentation) and B.2.4 (Credit Cards) for additional guidance.

2.4 General Ledger

A General Ledger shall be maintained with accounts for all assets, liabilities, fund balances, expenditures, and revenues. Separate accounts must be maintained for each Program's expenses and revenues.

2.5 Chart of Accounts

A Chart of Accounts shall be maintained:

- County recommends that Contractor use the expense account titles on the monthly invoice submitted to County.

- If Contractor uses account titles which differ from the account titles on the monthly invoice, each account title must clearly identify the nature of the transaction(s) posted to the account.

- Contractor must consistently post transactions that are of a similar nature to the same account. For example, all expenses for travel shall be posted to the account titled "travel" or "travel expense" and not intermixed with other expense accounts.

2.6 Payroll Register

County recommends that a Payroll Register be maintained for recording all payroll transactions. The Register should contain the following:

- Name
- Position
- Social Security Number
- Salary (hourly wage)
- Payment Record including:
  - accrual period
  - gross pay
  - itemized payroll deductions
  - net pay amount
  - check number

If a Payroll Register is not used, the information in this Sub-section 2.6 must be recorded in the Cash Disbursements Journal.

Contractor will ensure compliance with all applicable Federal and State requirements for withholding payroll taxes (FIT, FICA, FUTA, SIT, SIU, etc.), reporting, filing (941, DE-7, W-2, W-4 and 1099s), and all applicable tax deposits.

Contractor will ensure compliance with Internal Revenue Service guidelines in properly classifying employees and independent contractors.

2.7 Contractor Invoices

Contractor shall present an invoice to County each calendar month to report the financial activity of the month. In addition, if advanced funding is involved, an invoice shall be presented at the beginning of the Fiscal Year. Invoices shall be prepared in the manner prescribed by County.

3.0 Records

Adequate care shall be exercised to safeguard the accounting records and supporting documentation. Any destruction or theft of Contractor's accounting records or supporting documentation shall be immediately reported to County pursuant to the requirements outlined in Exhibit M (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies), Section II.C (Loss, Destruction or Theft of Assets). If the allowability of expenditures cannot be determined because Contractor's records or documentation are non-existent or inadequate according to Generally Accepted Accounting Principles, the expenditures will be questioned during an audit/monitoring review and may be disallowed at the sole discretion of County or its Authorized Representative.

3.1 Retention

All accounting records (e.g., journals, ledgers, etc.), financial records and supporting documentation (e.g., invoices, receipts, checks, etc.) must be retained pursuant to the authorized retention period outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.

3.2 Supporting Documentation

All revenues and expenditures shall be supported by original vouchers, invoices, receipts, or other documentation and shall be maintained in the manner described herein.

Invoices, receipts and canceled checks will be required to support an outlay of Contract Funds. Unsupported disbursements will be disallowed on audit. Contractor will be required to repay County for all disallowed costs. **Photocopied invoices or receipts, any internally generated documents (i.e., vouchers, request for check forms, requisitions, canceled checks, etc.), and account statements do not constitute supporting documentation for purchases.**

Supporting documentation is required for various types of expenditures as follows:

Payroll – time and attendance records signed by an employee and approved in writing by a supervisor; time distribution records by Program accounting for total work time on a daily basis for all employees; records showing actual expenditures for Social Security and unemployment insurance; State and Federal quarterly tax returns; Federal W-2 forms; and Federal W-4 forms.

Consultant Services – contracts, time and attendance records, billing rates, travel vouchers (detailing purpose, time and location of travel), purchase orders and invoices for supplies and invoices or other supporting documentation detailing the nature of services provided.

Travel – prior, written approval from County's Contract Manager for travel expenses related to providing Services under this Contract; written travel policies of Contractor; travel expense vouchers showing location, date and time of travel, purpose of trip, benefit(s) to the Program and rates claimed; vehicle mileage logs showing dates, destination and headquarters, purpose of trip, and mileage. Travel related to conferences should include conference literature detailing purpose of the conference and its applicability to the Work performed by Contractor hereunder.

Reimbursement rates for mileage shall not exceed applicable County guidelines.

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

Receipts shall be required for lodging for approved out-of-town travel dates. Maximum reimbursable lodging amount is the maximum County's reimbursement rate for employees for a single occupancy hotel accommodation.

Operating Expenses (e.g., utilities, office supplies, equipment rentals, etc.) – bona fide contracts or lease agreements, if any, and invoices and receipts detailing the cost and items purchased will constitute the primary supporting documentation. For internal control purposes, Contractor shall maintain vouchers, purchase orders, requisitions, stock received reports, bills of lading, etc.

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

3.3 Payments to Affiliated Organizations or Persons

Contractor shall not make payments to affiliated organizations or persons for Program expenses (e.g., salaries, services, rent, etc.) that exceed the lower of actual cost or the reasonable cost for such expenses. A reasonable cost shall be the price that would be paid by one party to another when the parties are dealing at arm's length (fair market price).

Organizations or persons (related parties) related to Contractor or its members by blood, marriage, or through legal organization (corporation, partnership, association, etc.) will be considered affiliated for purposes of this Contract. County shall be solely responsible for the determination of affiliation unless otherwise allowed and approved by the State or Federal agencies.

Payments to affiliated organizations or persons will be disallowed on audit to the extent the payments exceed the lower of actual costs or the reasonable costs for such items.

3.4 Filing

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

- checks – numerically
- invoices – vendor name and date
- vouchers – numerically
- receipts – chronologically
- timecards – pay period and alphabetically

3.5 Referencing

Accounting transactions posted to Contractor's books shall be appropriately cross-referenced to supporting documentation. It is recommended that expenditure transactions on Contractor's books be cross-referenced to the supporting documentation as follows:

- invoices – vender name and date
- checks – number
- vouchers –number
- revenue – receipt number

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

4.0 Donations and Other Sources of Revenue

Restricted donations and other sources of revenue earmarked specifically for this Contract must be utilized on allowable Contract expenditures.

5.0 Audits

Contractor will make available for inspection and audit to County and any of its duly Authorized Representatives (including State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives), upon request, during County's hours of operation, throughout the duration of this Contract and for the authorized retention period outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract, all of its books and records relating to the operation of each project or business activity which is funded in whole or part with governmental monies, whether or not such monies are received through County. All such books and records shall be maintained at a location within Los Angeles County.

B. INTERNAL CONTROLS

Internal controls safeguard Contractor's assets from misappropriations, misstatements or misuse. Contractor shall prepare necessary written procedures establishing internal controls for its staff. Contractor shall instruct all of its staff in these procedures and continuously monitor operations to ensure compliance with them.

1.0 Cash Receipts

1.1. Separate Bank Account or Cost Center

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

1.2 Deposits

All checks shall be restrictively endorsed upon receipt.

Cash received shall be recorded on pre-numbered receipts. Checks shall be recorded on a check remittance log at the time of receipt.

Cash receipts (i.e., cash and checks) totaling $500 or more shall be deposited within one (1) day of receipt. Collections of less than $500 may be held, and shall be secured and deposited weekly or when the total reaches $500, whichever occurs first.

Duplicate deposit slips shall be retained and filed chronologically, and shall contain sufficient reference information for comparison to the Cash Receipts Journal (and individual receipts, if applicable).

1.3 Separation of Duties

An employee who does not handle cash shall record all cash receipts.

1.4 Bank Reconciliations

Bank statements should be received and reconciled by someone with no cash handling, check writing, or bookkeeping functions (bookkeeper).

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

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

2.0 Disbursements

2.1 General

All disbursements for expenditures, other than petty cash, shall be made by check.

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

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

A second signature shall be required on all checks, unless otherwise authorized by County in writing.

If the bookkeeper signs checks, a second signature shall be required on the checks.

Voided checks shall be marked void with the signature block cut out. The voided checks must be filed with the cancelled checks.

Unclaimed or undelivered checks shall be cancelled periodically.

All supporting documentation shall be referenced to check numbers and marked "paid" or otherwise canceled to prevent reuse or duplicate payments.

Disbursements without adequate supporting documentation will be disallowed on audit.

2.2. Approvals and Separation of Duties

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

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

2.3 Petty Cash

A petty cash fund up to $500 may be maintained for payment of small incidental expenses incurred by Contractor (e.g., postage due, small purchases of office supply items, etc.). Contractor must obtain prior written approval from County's Contract Manager to establish a petty cash fund greater than $500.

Petty cash disbursements must be supported by invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. In the event that outside (external) supporting documentation is not obtainable for minor disbursements (under $10), such as parking meters, etc., then documentation shall be considered as proper supporting documentation on a basis of reasonableness. Petty cash disbursements should not be used as a substitute for normal purchasing and disbursement practices (i.e., payment by check).

The petty cash fund shall be maintained on an imprest basis. A check should be drawn to set up the fund and to make periodic reimbursements. Receipts, vouchers, etc., supporting each fund replenishment must be bound together, filed chronologically and cross referenced to the reimbursement check.

2.4 Credit Cards

The use of credit cards, both Contractor issued credit cards and an employee's personal credit cards used on behalf of Contractor, should be limited to purchases where normal purchasing and disbursement practices are not suitable.

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

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

All credit card disbursements must be supported by original invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. Credit card statements are not sufficient support for credit card purchases.

3.0 Timekeeping

3.1 Timecards

Timecards or time reports must be prepared for each pay period. Timecards or time reports must indicate total hours worked each day by program and total hours charged to each of Contractor's programs. Time estimates do not qualify as support for payroll expenditures and will be disallowed on audit.

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

3.2 Personnel and Payroll Records

Adequate security must be maintained over personnel and payroll records with access restricted to authorized individuals. Contractor shall develop, maintain and adhere to its written personnel policies and procedures, wherein such procedures shall incorporate due process protection according to standard personnel practices.

Personnel and payroll records should include (but are not limited to) the following:

- Employee's authorized salary rate
- Employee information sheet
- Resume and/or application
- Proof of qualifications for the position, if required (e.g., notarized copy or original diploma, license, etc.)
- Performance evaluations
- Criminal record clearance
- Citizenship status
- Benefit balances (e.g., sick time, vacation, etc.)

3.3 Benefit Balances

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

3.4 Limitations on Positions and Salaries

Contractor shall not pay any salaries which are higher than those authorized in this Contract, or the Exhibits thereto, including this Exhibit K, except as proscribed by State or Federal law.

When this Contract is for **Workforce Investment Act Program Services**, Contractor shall adhere to Public Law 109-234, as provided by the Employment Development Department (EDD) through its issuance of a directive. Contractor shall obtain the most current version of EDD's directive on salary and bonus limitations on-line using the following website address: http://www.edd.ca.gov/Jobs_and_Training/Active_Directives.htm.

For purposes of establishing a reasonable level of compensation for Contractor's employees, County may refer to the applicable Child Welfare League of America (CWLA) Salary Study.

If an employee serves in the same or dual capacities under more than one contract or program, the employee may not charge more than 100% of their time to the contracts or programs taken as a whole.

Salaried employees who work less than forty (40) hours per week shall be paid a salary that corresponds with the employee's work schedule.

The salary expense of salaried employees working on more than one (1) contract or program shall be allocated to each program based on the ratio of the number of hours worked on each program during the pay period to the total number hours worked during the pay period.

Contractor will make no retroactive salary adjustment for any employee without prior written approval from County's Contract Manager.

3.5 Separation of Duties

Payroll checks should be distributed by persons not involved in timekeeping, preparing of payroll, or reconciling bank accounts.

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

4.0 Bonding – All officers, employees, and agents who handle cash or have access to Contractor's funds shall be bonded pursuant to Paragraph 8.25 (Insurance Coverage) of this Contract.

C. COST PRINCIPLES

1.0 Policy

It is the intent of County to provide funds to Contractor for the purpose of providing Services required by this Contract. Contractor shall use these Contract Funds on actual expenses in an economical and efficient manner and shall ensure that these expenditures are reasonable, proper, necessary and beneficial for the provision of Services hereunder.

1.1 Use of Federal grant funds/monies is governed by Office of Management and Budget (OMB) Circulars, which are codified in the in the Code of Federal Regulations (CFRs). When Contract Funds consist of Federal monies, Contractor shall ensure that these monies are used on expenditures that are allowable and allocable in accordance with the applicable OMB Circulars. In the event that Contract Funds, either in whole or in part, are not Federal monies, Contractor shall adhere to these same requirements that are provided in the OMB Circulars to govern Contractor's use of any non-Federal portion of Contract Funds.

1.2 There are six (6) OMB Circulars which provide specific requirements for the use of Contract Funds (and for purposes of this Contract, Contract Funds shall include both Federal and non-Federal monies). Contractor shall adhere to three (3) of these OMB Circulars, depending on Contractor's organization.

- **Non-Profit Organizations shall follow:**
  - Cost Principles: OMB Circular A-122 (relocated to 2 CFR 230)
  - Administrative Requirements: OMB Circular A-110 (relocated to 2 CFR 215) or 29 CFR 95
  - Audit Requirements: OMB Circular A-133
- **Non-Profit Organizations which are listed in 2 CFR 230, Appendix C, shall follow:**
  - Cost Principles: 48 CFR 31
  - Administrative Requirements: OMB Circular A-110 (relocated to 2 CFR 215) or 29 CFR 95
  - Audit Requirements: OMB Circular A-133

- **States, Local Governments and Indian Tribes shall follow:**
  - Cost Principles: OMB Circular A-87 (relocated to 2 CFR 225)
  - Administrative Requirements: OMB Circular A-102 or 29 CFR 97
  - Audit Requirements: OMB Circular A-133
- **Educational Institutions (even if part of a State or Local Government) shall follow:**
  - Cost Principles: OMB Circular A-21 (relocated to 2 CFR 220)
  - Administrative Requirements: OMB Circular A-110 (relocated to 2 CFR 215) or 29 CFR 95
  - Audit Requirements: OMB Circular A-133
- **Hospitals (both proprietary and non-profit) shall follow:**
  - Cost Principles: 45 CFR 74, Appendix E
  - Administrative Requirements: OMB Circular A-110 (relocated to 2 CFR 215) or 29 CFR 95
  - Audit Requirements: OMB Circular A-133

Contractor is responsible for obtaining the most recent version of the above referenced OMB Circulars and CFR provisions, which are available on-line at http://www.whitehouse.gov/omb/circulars/index.html and www.ecfr.gov, respectively.

1.3 Limitations on Expenditures of Contract Funds

Contractor shall comply with this Contract and the applicable OMB Circulars and CFRs. The OMB Circulars and CFRs define direct and indirect costs, discuss allowable cost allocation procedures and the development of Indirect Cost Rates, and specifically address the allowability of a variety of different costs.

If Contractor is unsure of the allowability of any particular type of cost or individual cost, Contractor should request advance written approval from

County's Program Manager prior to incurring the cost. Any conflict or inconsistency between or among the requirements outlined within this Contract, Exhibit A (Statement of Work), this Exhibit K, OMB Circulars or CFRs shall be resolved by giving precedence as follows:

- OMB Circulars and CFRs
- Contract
- Exhibit A (Statement of Work)
- Exhibit K (Accounting, Administration and Reporting Requirements)

1.4 Expenses Incurred Outside the Contract Period

Expenses charged against Contract Funds may not be incurred prior to the effective date of this Contract, or subsequent to this Contract's expiration or termination date. Expenses charged against Contract Funds during any Fiscal Year period may not be incurred outside of that Fiscal Year period.

1.5 Budget Limitation

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

1.6 Unspent Funds

County will determine the disposition of unspent Contract Funds upon expiration or termination of this Contract and at the end of each Fiscal Year period.

1.7 Necessary, Proper and Reasonable

Only those expenditures that are necessary, proper and reasonable to carry out the purposes and activities of the Program are allowable. These expenditures must clearly evidence a benefit(s) to the Program.

2.0 Allocation of Cost Pools

When Contractor provides services in addition to the Services required under this Contract, Contractor shall allocate expenditures that benefit programs or funding sources on an equitable basis.

In accordance with the applicable OMB Circular and CFR, Contractor shall define its allocable costs as either direct or indirect costs (as defined in Sub-sections C.2.1 (Direct Costs) and C.2.2 (Indirect Costs) below) and shall allocate each cost using the basis that is most appropriate and feasible.

Contractor shall maintain documentation related to the allocation of expenses (e.g., timecards, time summaries, square footage measurements, number of employees, etc.).

Under no circumstances shall allocated costs be charged to an extent greater than 100% of actual costs nor shall the same cost be charged both directly and indirectly.

2.1 Direct Costs

Direct costs are those costs that can be identified specifically with a particular final cost objective (i.e., a particular program, service, or other direct activity of Contractor's organization). Examples of direct costs include salaries and benefits of employees working on the Program, supplies and other items purchased specifically for the Program, costs related to space used by employees working on the Program, etc.

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

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

Examples of bases for allocating joint costs as direct costs:

- Number of direct hours spent on each program
- Number of employees working in each program
- Square footage occupied by each program
- Other equitable methods of allocation

2.2 Indirect Costs

Indirect costs are those costs that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. Examples of indirect costs include salaries, employee benefits, supplies, and other costs related to general administration of Contractor's organization, and the salaries and expenses of executive officers, personnel administration, and accounting staff.

Examples of bases for allocating indirect costs:

- Total direct salaries and wages
- Total direct costs (excluding capital expenditures and other distorting items such as subcontractor payments)

2.3 Acceptable Indirect Cost Allocation Methods

OMB Circulars and CFRs describe the following allowable methods for allocating indirect costs:

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

Simplified Allocation Method

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

Example

Agency-wide indirect costs	$250,000
Less: Capital expenditures	10,000
Allocable indirect costs	240,000
Total agency-wide indirect salaries	$1,000,000
Indirect cost rate ($240,000/$1,000,000)	24%
Program direct salaries	$100,000
Program indirect costs (24% x $100,000)	$24,000

Direct Allocation Method

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

The remaining costs, which consist exclusively of general administration and general expenses are then allocated using the simplified allocation method previously discussed.

Multiple Base Allocation Method

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

Negotiated Indirect Cost Rates

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

If Contractor has a Federally approved indirect cost rate, Contractor shall submit a copy of the approval letter to County's Compliance Manager upon request.

D. UNALLOWABLE COSTS

OMB Circulars and CFRs address the allowability of a variety of different costs. For all costs, there are certain restrictions and limitations; however, the following costs are not allowable under any circumstances:

- Bad debts
- Contingency provisions (exceptions may include self-insurance, pension funds and reserves for normal severance pay)
- Contributions and donations rendered
- Fines and penalties
- Fundraising activities
- Interest expense (unless expressly allowed by Federal guidelines)
- Losses on other awards

Additionally, Contractor shall not use Contract Funds to repay disallowed costs.

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

1.0 Contractor shall report suspected fraud (including welfare fraud), abuse, waste, or misuse of public monies, and misconduct of County personnel to

the Los Angeles County Fraud Hotline. Contractor shall also report suspected fraud, abuse, waste, or misuse of public monies, and misconduct committed by its employees, volunteers, and any subcontractors when that fraud affects its Contract with County. Reportable conditions of fraud include, but are not limited to:

- Requests for bribes/kickbacks/gratuities by County personnel
- Favoritism/nepotism in the awarding of County contracts, selection of vendors or hiring of Contractor's employees
- Theft or misuse of any funds, resources or equipment
- Falsification of records
- Violation of conflict of interest requirements; etc.

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

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

Website:	www.lacountyfraud.org
E-Mail Address:	Hotline@auditor.lacounty.gov
Fraud Hotline:	(800) 544-6861
Fax:	(213) 633-0991
Mail:	Office of County Investigations 500 W. Temple St., Room 515 Los Angeles, CA 90012

4.0 User Complaint Report

4.1 County's staff shall complete the User Complaint Report (UCR) to report Contractor's non-compliance with the requirements of this Contract. Areas of Contractor's non-compliance includes, but is not limited to, the following:

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

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

EXHIBIT L
(JOINT FUNDING REVENUE DISCLOSURE)

Contractor's Name _____ Contract Number _____

Name of Preparer (Print) _____ Date Prepared _____

Page _____ of _____

List all revenue coming to Contractor (including foundation grants and donations). Use additional pages as necessary.

Revenue Source (Agency or Organization Name, Contact Name and Phone Number)	Funding Amount	Funding Period	
		Start Date	End Date
PAGE TOTAL			
GRAND TOTAL OF ALL PAGES			

EXHIBIT L
(JOINT FUNDING REVENUE DISCLOSURE)

Contractor's Name _____ Contract Number _____

Page _____ of _____

Revenue Source (Agency or Organization Name, Contact Name and Phone Number)	Funding Amount	Funding Period	
		Start Date	End Date
PAGE TOTAL			

EXHIBIT M
(PURCHASE, INVENTORY AND DISPOSAL REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS AND SUPPLIES)

I. DEFINITIONS OF FIXED AND NON-FIXED ASSETS AND SUPPLIES

A. A Fixed Asset is an item which meets all of the following attributes:

1.0 Includes, but is not limited to, property, plant, equipment, land, buildings, additions, attachments, improvements, betterments, machinery, vehicles, furniture, tools, intangibles, mineral resources, etc. which are not consumed/sold during the normal course of Contractor's business under this Contract and are used to carry out Contractor's operations.

2.0 Has a unit acquisition cost that is $5,000 or more (e.g., four (4) identical assets, which cost $3,000 each, totaling $12,000 would not meet this requirement). Acquisition cost is the net invoice unit price of an item, including shipping costs and sales taxes, the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired.

3.0 Has a normal useful life of at least one (1) year.

4.0 Is used to conduct business under this Contract.

5.0 Is either purchased with Contract Funds and/or was acquired by Contractor under a Predecessor Agreement for the same/similar purpose as this Contract. For purposes of this Contract, Predecessor Agreement shall mean a contract between County and Contractor that was executed prior to this Contract for the same/similar Program Services as this Contract.

B. A Non-Fixed Asset is an item which meets all of the following attributes:

1.0 Does not meet the requirements in Sub-sections I.A.1.0 – I.A.4.0, outlined above for Fixed Assets.

2.0 Has a unit acquisition cost that is less than $5,000 but is at least $500, or has a unit acquisition cost that is less than $5,000 but is at least $300 if it was purchased under a Predecessor Agreement for the same/similar purpose as this Contract.

3.0 Is either purchased with Contract Funds and/or was acquired by Contractor under a Predecessor Agreement for the same/similar purpose as this Contract.

C. Supplies are items which meet all of the following attributes:

1.0 Are goods, materials or other items which are consumed during the normal course of business and may include, but are not limited to, paper, pencils, printer cartridges, file folders, etc. (i.e., Supplies are items which are used in such a way that once used, they cannot be re-used or recovered afterward).

2.0 Have a unit acquisition cost that is less than $500, or less than $300 if purchased under a Predecessor Agreement for the same/similar purpose as this Contract.

3.0 Are necessary for Contractor to effectively and efficiently carry out the objectives, tasks and activities of the Program and provide Services to Clients.

4.0 Are either purchased with Contract Funds and/or were acquired by Contractor under a Predecessor Agreement for the same/similar purpose as this Contract.

D. Types of Fixed and Non-Fixed Assets

1.0 Additions and Attachments are products that typically involve physical extensions of existing units that are necessary to make these units usable for the purposes for which they are acquired, but do not involve renovations.

1.1 An Addition or an Attachment is considered a Fixed Asset when its cost, combined with the cost of the unit it is attached to, along with its other characteristics, meet the definition of a Fixed Asset as set forth herein.

1.2 Examples of Additions or Attachments include for example new rooms, new roof, or new heating, ventilation and air conditioning (HVAC) system added to an existing building, etc.

2.0 Improvements and Betterments are products that typically do not increase the physical size of the asset.

2.1 Improvements and Betterments enhance the condition of a unit (e.g., extend life, increase service capacity, and lower operating costs).

2.2 An Improvement or a Betterment is considered a Fixed Asset when the final cost of the unit being improved or bettered along with its other characteristics, meet the definition of a Fixed Asset as set forth herein.

2.3 Examples of Fixed Assets that might be improved and bettered include roads, bridges, curbs and gutters, tunnels, parking lots, streets and sidewalks, drainage and lighting systems.

3.0 Intangible Property can be either a Fixed or Non-Fixed Asset which lacks physical substance but gives valuable rights to the owner.

3.1 The acquisition cost of the Intangible Property includes all amounts incurred to acquire and to ready the Asset for its intended use. Typical intangible property costs include the purchase price, legal fees, and other costs incurred to obtain title to the Asset.

3.2 Examples of Intangible Property include, but are not limited to, patents, copyrights, leases, and computer software.

4.0 Hardware, which can be either a Fixed or Non-Fixed Asset, consists of tangible equipment including, but not limited to, computers, printers, terminals, etc.

II. GENERAL REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS AND SUPPLIES

A. The following requirements are applicable to Fixed and Non-Fixed Assets (collectively "Assets") and Supplies. In some areas, the requirements are only applicable to Fixed and Non-Fixed Assets; however, Contractor shall exercise due diligence for the use and maintenance of Supplies when specific requirements are not addressed.

B. Management of Assets and Supplies

1.0 Contractor shall exercise due care in its use, maintenance, protection and preservation of Assets and Supplies to prevent misuse or theft.

2.0 Contractor shall not use Assets or Supplies for personal gain or to usurp the competitive advantage of a privately-owned business entity.

3.0 Contractor shall use Assets and Supplies for the purpose for which they are intended under this Contract. When no longer needed for that use, Contractor shall use them as prescribed in Section X (Disposal Requirements for Fixed and Non-Fixed Assets and Supplies), herein.

4.0 Contractor may share use of Assets or allow use by other programs upon written approval of County. As a condition of approval, County may require payment under this Contract for that use.

C. Loss, Destruction or Theft of Assets

1.0 Contractor shall promptly investigate, fully document, and report the loss, destruction or theft of Assets. Contractor shall report such loss, destruction or theft as follows:

1.1 Contractor shall notify the local law enforcement agency with jurisdiction over the location of the crime by telephone (and confirmed in writing by filing a police report) within twenty-four (24) hours of occurrence or discovery of such incident(s).

1.2 Contractor shall notify County's Contract Manager by telephone (and confirmed in writing) or by e-mail within five (5) business days of occurrence or discovery of such crime. Contractor shall prepare an Incident Report which shall be provided to County.

1.3 Contractor's Incident Report of such loss shall contain at a minimum, the following elements:

1.3.1 Identification of the Asset(s);

1.3.2 Recorded value(s) of each Asset;

1.3.3 Facts relating to the crime; and

1.3.4 Where appropriate, a copy of the police report.

1.4 Contractor shall retain the Incident Report pursuant to the requirements outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.

2.0 Contractor agrees to indemnify County for any loss resulting from the use of any Assets.

3.0 Contractor shall assume responsibility for the replacement or repair of Assets during the period of the Program, until Contractor has complied with all written instructions from County regarding the final disposition of the Assets (as detailed in Section X (Disposal Requirements for Fixed and Non-Fixed Assets and Supplies), herein).

III. DEPRECIATION AND CAPITALIZATION POLICY

A. The following requirements are applicable only to Fixed and Non-Fixed Assets.

B. Fixed and Non-Fixed Assets purchased with the Federal portion of Contract Funds and/or with Contractor's required matching contributions may not be depreciated or capitalized.

C. Fixed and Non-Fixed Assets purchased with the non-Federal portion of Contract Funds, if any, may be capitalized and/or depreciated over the estimated useful lives of these Assets pursuant to Contractor's acquisition policies.

IV. TITLE TO FIXED AND NON-FIXED ASSETS

A. The following requirements are applicable only to Fixed and Non-Fixed Assets.

B. Unless otherwise required by Federal or State laws or regulations, or as agreed upon in writing by the parties, Fixed and Non-Fixed Assets remain the property of County until such time as County approves the final disposition of the Fixed and Non-Fixed Assets (i.e., County retains title to all Fixed and Non-Fixed Assets used in the performance of this Contract).

C. Unless otherwise required by Federal or State laws or regulations or as agreed upon in writing by the parties, Fixed and Non-Fixed Assets purchased under a Predecessor Agreement(s) remain the property of County until such time as County approves the final

disposition of the Fixed and Non-Fixed Assets (i.e., County retains title to all Fixed and Non-Fixed Assets purchased under a Predecessor Agreement).

V. VEHICLES

A. The following requirements are applicable only to Fixed and Non-Fixed Assets.

B. Title to Vehicles (Fixed and Non-Fixed)

1.0 County retains title to vehicles which are purchased with Contract Funds.

2.0 County retains title to vehicles purchased with funds from Predecessor Agreements.

C. Vehicles shall be registered in the name of Contractor only and shall include both vehicles which are purchased with Contract Funds, and those purchased under a Predecessor Agreement(s) and are currently in the possession of Contractor.

D. Contractor shall provide current and adequate insurance covering all vehicle drivers pursuant to Paragraph 8.25 (Insurance Coverage) of this Contract; and each vehicle driver shall have a current, valid California driver's license.

VI. GOVERNING REGULATIONS AND POLICIES

A. Throughout this Exhibit M, references will be made to applicable Office of Management and Budget (OMB) Circulars or applicable Code of Federal Regulations (CFRs), which shall mean that Contractor shall follow the OMB Circulars and CFRs that apply to it based on the type of Program being funded through this Contract and the type of entity that best describes Contractor's organization (e.g., non-profit, local government, educational institution, etc.). The applicable OMB Circulars and CFRs are defined in Exhibit K (Accounting, Administration and Reporting Requirements).

1.0 Contractor shall adhere to both administrative requirements and cost principles as detailed in the applicable OMB Circulars and CFRs as appropriate for Contractor's Program and organization.

2.0 This Contract provides specific references to OMB Circulars, CFRs, rules, regulations, and the like; however, Contractor shall ensure that it follows all applicable laws, rules,

regulations, policies, procedures, etc. even if they are not specifically referenced herein.

3.0 The requirements herein are applicable only to Fixed and Non-Fixed Assets. However, Contractor shall exercise reasonable care in the use and maintenance of Supplies when specific requirements are not addressed.

B. In the event of any conflict or inconsistency between the requirements established in this Exhibit M and any of the governing OMB Circulars or CFRs, the conflict shall be resolved by giving precedence to the governing OMB Circulars or CFRs.

C. If this Contract indicates that Fixed and Non-Fixed Assets may be purchased, Contractor shall adhere to all Federal, State and County purchasing and fiscal policies, procedures and requirements. These policies include, but are not limited to:

1.0 The requirements of this Exhibit M.

2.0 Procurement Standards outlined in the OMB Circulars CFRs, as applicable to Contractor's Program and organization as described in Exhibit K (Accounting, Administration and Reporting Requirements).

3.0 Cost principles outlined in the OMB Circulars and CFRs, as applicable to Contractor's Program and organization as described in Exhibit K (Accounting, Administration and Reporting Requirements).

4.0 Additional requirements, which may be communicated to Contractor through County memorandum, directives, Change Notices, Contract Amendments, etc.

VII. APPROVAL REQUIREMENTS

A. The following requirements are applicable only to Fixed and Non-Fixed Assets.

B. Necessary Prior Approval to Purchase Fixed Assets for Area Agency on Aging (AAA), Dispute Resolution Program, Adult Protective Services and Community Services American Indian Block Grant Programs

1.0 Prior to purchasing or acquiring Fixed Assets, Contractor must receive written approval from County authorizing the

purchase when Contractor will use more than $5,000 of Contract Funds to purchase the Fixed Asset.

2.0 Prior approval is not required for the purchase of Non-Fixed Assets or Supplies. However, Contractor shall adhere to all of the other procurement policies governing the purchase of Non-Fixed Assets and supplies as outlined herein and according to applicable laws.

3.0 Upon receiving approval from County, Contractor shall ensure that all Fixed Asset purchases are approved by the Contractor's Board of Directors or its Authorized Representative, before completing a Fixed Asset purchase.

4.0 County's approval of Contractor's Budget does not constitute approval of the purchase of the Fixed Asset(s).

5.0 Examples

5.1 If Contractor intends to purchase a $5,700 Fixed Asset and will use $2,500 of Contract Funds to purchase the Fixed Asset, prior approval is not required.

5.2 If Contractor intends to purchase a $5,700 Fixed Asset and will use $5,700 of Contract Funds to purchase the Fixed Asset, prior approval is required.

C. Necessary Prior Approval to Purchase Fixed Assets for Workforce Investment Act (WIA) Programs

1.0 Prior to purchasing or acquiring Fixed Assets, Contractor must receive written approval from County authorizing the purchase when Contractor will use any portion of Contract Funds to purchase the Fixed Asset.

2.0 Prior approval is not required for the purchase of Non-Fixed Assets or Supplies. However, Contractor shall adhere to all of the other procurement policies governing the purchase of Non-Fixed Assets and supplies as outlined herein and according to applicable laws.

3.0 Contractor shall submit a separate request to County's Contract Management Manager following the instructions provided in WIA Directive number D-DWA-04-024/D-YTH-04-08 (dated August 24, 2004). Copies of this Directive are available on the Work Source California website, which may

be accessed using the following address: http://www.worksourcecalifornia.com/information/wib_LAcounty.htm (there is an underscore between *wib* and *LAcounty*).

4.0 County's approval of Contractor's Budget does not constitute approval of the purchase of the Fixed Asset(s).

5.0 Examples

5.1 If Contractor intends to purchase a $4,500 Asset and will use $2,500 of Contract Funds to purchase the Fixed Asset, prior approval is not required.

5.2 If Contractor intends to purchase a $10,000 Asset and will use $2,500 of Contract Funds to purchase the Fixed Asset, prior approval is required.

D. Necessary Prior Approval to Dispose of Fixed and Non-Fixed Assets

1.0 Contractor shall obtain prior written approval from County in order to sell, transfer, donate or otherwise dispose of Assets with a **current** market value over $500 in the aggregate. The aggregate value is either the total value of a single item or the combined value of multiple items.

2.0 Contractor shall contact County's Contract Manager to obtain specific instructions for requesting prior approval from County and shall adhere to all County requirements for the disposal of these Assets.

3.0 Prior to the sale, transfer, donation or other disposal of all Assets consisting of electronic equipment with memory capability, Contractor shall notify County to ensure that the device's memory and/or any information stored in the memory is permanently removed, erased and cleared of all Contract and Program related records and information (or any information that would compromise Contractor's ability to adhere to the confidentiality requirements of this Contract, including Paragraph 7.5 (Confidentiality) of this Contract, Exhibit G (Contractor Acknowledgement and Confidentiality Agreement), and Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) – if/when Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) is included with this Contract.

E. Necessary Prior Approval to Use Program Income from Sales Revenue

1.0 Contractor shall obtain prior written approval from County for the use of Program Income derived from revenue earned after the sale of Assets pursuant to Exhibit K (Accounting, Administration and Reporting Requirements).

VIII. PURCHASE REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS

A. The following requirements are applicable only to Fixed and Non-Fixed Assets. However, Contractor shall exercise due diligence for the purchase of Supplies when specific requirements are not addressed.

B. Cost Requirements

1.0 Contractor shall perform a cost or price analysis prior to the purchase of an Asset.

1.1 Cost analysis includes the review and evaluation of each element of cost to determine its reasonableness, allocability, and allowability. Contractor shall ensure that Assets are allowable and allocable pursuant to the cost principles outlined in applicable OMB Circulars and CFRs.

1.2 Price analysis includes the comparison of price quotations submitted, market prices, and similar indicia, together with discounts.

2.0 Contractor shall conduct an analysis of lease and purchase alternatives to determine the most economical and practical procurement method.

3.0 Contractor shall avoid purchasing unnecessary or duplicative items. Contractor shall ensure that the costs for Assets are reasonable and proper and that the Assets are necessary to carry out the purposes and activities of the Program (or are necessary and reasonable for the proper and efficient accomplishment of Program objectives).

4.0 Contractor shall ensure that all costs associated with the purchase of Assets are included in its total actual cost (i.e., the final cost of the Asset should include all amounts to be

incurred to acquire and to ready the Asset for its intended use). The total actual cost shall also include any deductions for cash discounts, rebates and allowances received by Contractor.

5.0 Contractor shall only charge the total actual cost of the Asset to this Contract. If the total actual cost of the Asset is allocable to multiple funding sources, the share of costs charged to this Contract shall not be charged by Contractor to another grant.

C. Competition

1.0 Contractor shall conduct all procurements for Assets in a manner that provides full, open and free competition consistent with the procurement standards outlined in the applicable OMB Circulars/CFRs.

2.0 Contractor shall ensure that it obtains a minimum of three (3) written competitive bids from the best known sources prior to purchasing the Asset(s).

3.0 Contractor shall avoid organizational conflicts of interest and non-competitive practices among vendors that may restrict or eliminate competition or otherwise restrain trade.

4.0 Contractor or Contractor's agent who develops or drafts specifications, requirements, statements of work, invitation for bids and/or request for proposals for the procurement of Assets shall be excluded from competing for such procurements.

5.0 Contractor shall select the vendor whose bid is most responsive to the requirements outlined in the solicitation.

6.0 Sole Source (Procurement by Non-competitive Proposal)

6.1 Sole source procurement is the solicitation of a proposal from only one (1) source or after solicitation of a number of sources, competition is determined inadequate.

6.2 Sole source procurement may only be used when the procurement is not feasible under the small purchase procedures, sealed bids or competitive proposals (as defined in applicable OMB Circulars and CFRs) and one of the following applies:

6.2.1 The Asset is available only from a single source.

6.2.2 Public exigency or emergency for the Asset will not permit a delay resulting from a competitive solicitation.

6.2.3 County provides written authorization for non-competitive procurement of the Asset.

6.2.4 After solicitation of a number of sources, and with written approval from County, competition is determined inadequate.

7.0 Contractor shall ensure that solicitations for Assets provide:

7.1 Clear and accurate description of the technical requirements for the Asset to be procured and such description shall not contain features which unduly restrict competition.

7.2 Requirements which the bidder must fulfill and all other factors to be used in evaluating bids.

7.3 Description of the functions to be performed/performance required, including the minimum acceptable standards, when practicable.

7.4 Description of specific features of "brand name" products or an equivalent that bidders are required to meet when such items are included in the solicitation.

7.5 Acceptance, to the extent possible and economically feasible, of Assets dimensioned in the metric system of measurement.

7.6 Preference, to the extent possible and economically feasible, for Assets that conserve natural resources and protect the environment and are energy efficient.

8.0 Contractor shall make an effort to utilize small businesses, minority-owned firms and women's business enterprises whenever possible, pursuant to the procurement procedures outlined in applicable OMB Circulars and CFRs.

D. Procurement Instrument

1.0 Contractor shall determine the type of procurement instrument to be used for the purchase, which may include purchase orders, fixed price contracts, cost reimbursable contracts, etc.

2.0 The procurement instrument shall promote the best interests of the Program.

3.0 "Cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of procurement shall not be used.

E. Documentation Requirements

1.0 Contractor shall maintain proper forms of documentation to demonstrate the significant history of the procurement for all Assets (e.g., requisitions, purchase orders, receipts, price quotes/vendor bids, etc.).

2.0 Contractor shall have written internal procurement procedures in place (including processes for vendor selection, requisition approval, etc.).

3.0 Contractor shall maintain documentation of its cost/price analysis and any sole source procurement.

4.0 Contractor's Budget

4.1 Contractor shall report Assets purchased with Contract Funds on the Budget (as defined in Exhibit J (Definitions)). Prior to reporting Assets on the Budget, Contractor shall receive written approval to purchase Assets as detailed in Section VII (Approval Requirements), herein.

4.2 Assets purchased by Contractor shall match the Assets reported on the Budget.

4.3 The total cost of Assets purchased shall not exceed the amounts reported on the Budget.

4.4 In the event the actual purchase price is either more or less than the cost reported on the Budget, Contractor shall submit a Budget modification to County's Contract Manager before the end of the Fiscal Year pursuant to Paragraph 9.9 (Modifications)

of this Contract. Contractor shall be liable for the cost of any Asset when that cost exceeds the amount approved by County for the purchase of the Asset.

5.0 Documentation Requirements for AAA Programs

5.1 In addition the documentation requirements outlined above, the following applies to AAA Programs:

5.1.1 Contractor shall submit supporting documents including, but not limited to, receipts, purchase orders, invoices, etc. for all Assets.

5.1.2 The supporting documents shall be submitted to County's Contract Manager at the same time that Contractor submits its invoice to County for the purchase.

F. Assets must be physically received prior to the end of the Fiscal Year during which they are purchased.

G. Assets purchased either wholly with the Federal share of Contract Funds and/or with any required Contractor matching contribution shall be charged directly to the Program.

IX. INVENTORY REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS

A. The following requirements are applicable only to Fixed and Non-Fixed Assets. However, Contractor shall exercise reasonable care in the maintenance and tracking of Supplies.

B. Asset Bar Code Identification Tags

1.0 Contractor shall ensure that all Assets are properly identified with Asset Bar Code Identification tags. These tags shall provide a unique identifier for each Asset, which is used to track the Asset until its final disposition.

2.0 Contractor shall notify County's Contract Manager to obtain the Asset Bar Code Identification tags and County will affix the tags on each Asset.

C. Inventory Tracking

1.0 Every two (2) years, or more frequently as requested by County, Contractor shall conduct a physical inventory of all

Assets and reconcile the results with Contractor's Asset accounting records.

2.0 Contractor shall investigate any differences between quantities determined by the physical inspection and those shown in the accounting records to determine the causes of the difference.

3.0 As part of its inventory tracking, Contractor shall verify the existence, current utilization, and continued need for Assets.

4.0 Contractor shall inventory these Assets until the final disposition procedures have been completed for the Assets.

D. Inventory Reporting Using the Inventory Control Form and/or Inventory Letter

1.0 During any Fiscal Year in which Contractor purchases Assets, it shall report its inventory of those Assets to County. To this end, Contractor shall utilize Exhibit N (Inventory Control Form), as the mechanism to report these Assets, as further described in Sub-section IX.D.2.0 (Inventory Control Form), herein. During any Fiscal Year in which Contractor does not purchase any Assets, Contractor shall prepare an Inventory Letter in lieu of completing the Inventory Control Form, as further described in Subsection IX.D.3.0 (Inventory Letter), herein.

2.0 Inventory Control Form

2.1 On an annual basis or more frequently as requested by County, Contractor shall complete Exhibit N (Inventory Control Form) to report its Assets and shall submit it to County's Contract Manager.

2.2 Contractor shall maintain supporting records for all Assets reported on the Inventory Control Form including, but not limited to, receipts of purchase, purchase orders, etc.

2.3 Contractor shall include such supporting records, which must be placed in sequential order (to match the order of the Assets listed on the Inventory Control Form) with the Inventory Control Form unless otherwise directed by County.

2.4 Contractor shall ensure that the information on the supporting records match the information reported on the Inventory Control Form.

2.5 Contractor shall complete the Inventory Control Form by reporting the following Assets:

2.5.1 Assets purchased during prior Fiscal Years.

2.5.2 Assets purchased under Predecessor Agreements.

2.5.3 Assets which County has not authorized Contractor to dispose of (i.e., Contractor shall report all Assets on the Inventory Control Form until the final disposition procedures have been completed for the Assets).

2.6 If Contractor has multiple contracts with County, Contractor shall use a separate Inventory Control Form to report Assets for each contract.

3.0 Inventory Letter

3.1 On an annual basis or more frequently as requested by County, Contractor shall prepare the Inventory Letter, and shall submit it to County's Contract Manager. The Inventory Letter shall adhere to the following:

3.1.1 It shall indicate that no Fixed or Non-Fixed Assets were purchased using Contract Funds during the prior Fiscal Year (and shall list the full term of the Fiscal Year; for example, July 1, 20XX – June 30, 20XX).

3.1.2 It shall include Contractor's name, Contract number and the name of the Program.

3.1.3 If Contractor has multiple Program components, Contractor shall prepare a separate Inventory Letter to report that no Assets were purchased for each Program component. For purposes of this Contract, the Program component is defined as the Work to be provided under this Contract which:

3.1.3.1 Has its own defined Services, Clients and other specific requirements as outlined in Exhibit A (Statement of Work); and,

3.1.3.2 Is funded with its own share of the Contract Funds.

3.1.4 The Inventory Letter shall be signed and dated by Contractor's Authorized Representative.

X. DISPOSAL REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS AND SUPPLIES

A. The following requirements are applicable to Fixed and Non-Fixed Assets and Supplies. However, Contractor shall exercise due diligence to dispose of Supplies when specific requirements are not addressed.

B. Consistent with Federal and State regulations, Contractor may dispose of Assets and Supplies pursuant to the guidelines reflected herein and applicable OMB Circulars and CFRs.

C. For purposes of this Exhibit M, disposal shall include the sale, discarding, transfer, donation or trade-in or other disposal of Assets.

D. Only Assets that are considered Salvage or Surplus may be sold, transferred, donated or otherwise disposed of.

1.0 Salvage items include Assets which are either obsolete or broken/irreparable.

2.0 Surplus items are Assets which are no longer needed for the Program due to termination of this Contract, termination of the Program, dissolution of Contractor's operations, or other similar circumstances.

3.0 Contractor may sell, transfer, donate or otherwise dispose of Assets when these conditions are met:

3.1 Only after the Assets have first been offered and declined in writing by County.

3.2 The sale, transfer, donation or other disposal does not create a conflict of interest for County or Contractor (i.e., Contractor employees, or Contractor employees'

family members, businesses which employ or have a relationship with Contractor, employees or employees' family members, businesses conducting business with Contractor, and Clients, etc.).

E. Disposition upon Dissolution of Contractor or Termination of Contract

1.0 When the Program, for which Assets were purchased, has ended or after dissolution of Contractor's operations, County reserves the right to determine the final disposition of the Assets.

2.0 Disposition may include, but is not limited to, County taking possession of and acquiring the Assets.

3.0 Contractor shall prepare a final Inventory Control Form reflecting the Assets to be provided to County, and shall submit it to County's Contract Manager.

4.0 County reserves the right to require Contractor to transfer such Assets to another entity, including, but not limited to, County or the State.

5.0 To exercise the right referenced in Sub-section X.E.4.0, herein, County will issue specific written disposition instructions to Contractor no later than 140 days after termination of this Contract or notification of Contractor's dissolution.

F. Supplies

1.0 Contractor shall compensate County for its share of the residual inventory of unused Supplies if the **current** fair market value of the inventory exceeds $500 or more in the aggregate when the items are no longer needed for either the Program or another Federally-funded program.

2.0 The aggregate value in this case is the total value of all remaining unused Supplies.

G. Current Fair Market Value

1.0 Contractor shall determine the current fair market value of all Assets being sold, transferred, disposed of or donated.

2.0 Contractor shall use one or more of the following methods/resources to determine the current fair market value:

2.1 Orion Computer Blue Book

2.2 Professional or expert appraisal

2.3 Public advertisement

2.4 Industry quotation

2.5 Other similar methods/products

H. Sale of Assets

1.0 After receiving written approval from County for this action, Contractor may sell Assets, which meet the requirements outlined in Sub-sections X.D.1.0 – X.D.3.0, herein, as a method of disposing those Assets.

2.0 Contractor shall have proper sales procedures in place in order to sell Assets. These procedures shall provide for competition to the extent practicable and shall result in the highest possible return.

3.0 Contractor shall record all sales revenue information relating to the sale or disposition of the Assets. Revenue from the sale of Assets becomes Program Income and Contractor may be required to reimburse County for the revenue that is earned pursuant to Exhibit K (Accounting, Administration and Reporting Requirements).

4.0 After the sale of an Asset, Contractor shall prepare an updated Inventory Control Form and submit it to County within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information on the Assets sold.

5.0 Contractor shall obtain receipts from the recipient of the sale item(s) acknowledging receipt of the sale item(s) and shall forward copies of the receipts to County's Contract Manager along with the completed Inventory Control Form.

I. Transfer of Assets

1.0 After receiving written approval from County to transfer Assets, which meet the requirements outlined in Sub-

sections X.D.1.0 – X.D.3.0, herein, Contractor may proceed with this action as a method of disposing those Assets.

2.0 Contractor shall transfer Assets according to this order:

2.1 To another program providing the same or similar service as that provided in this Contract.

2.2 To a State/Federally-funded program.

3.0 After the transfer of an Asset, Contractor shall prepare an updated Inventory Control Form and submit it to County's Contract Manager within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information for the Assets transferred.

4.0 Contractor shall obtain receipts from the recipient of the transferred item(s) acknowledging receipt of the transferred item(s) and shall forward copies of the receipts to County's Contract Manager along with the completed Inventory Control Form.

J. Donation of Assets

1.0 After receiving written approval from County to donate Assets, which meet the requirements outlined in Sub-sections X.D.1.0 – X.D.3.0, herein, Contractor may proceed with this action as a method of disposing those Assets.

2.0 To donate Assets, Contractor shall:

2.1 Prepare an updated Inventory Control Form and submit it to County's Contract Manager within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information for the Assets donated.

2.2 Obtain receipts from the recipient of the donated item(s) acknowledging receipt of the donated item(s) and shall forward copies of the receipts to County's Contract Manager along with the completed Inventory Control Form.

2.3 Obtain liability waiver(s) for donated items. Contractor shall be responsible for developing its own liability waiver, which should provide the following information, at a minimum:

2.3.1 Names and addresses of Contractor and recipient organization.

2.3.2 Complete description of Asset(s) being donated including, but not limited to, Asset Bar Code Identification tag number, Asset name and make/model, serial number, quantity and condition.

2.3.3 Date when donation was received by recipient organization.

2.3.4 Certification statement to be attested to by recipient organization releasing Contractor from all liability for donated Asset(s).

2.3.5 Name, signature and title of the recipient organization's Authorized Representative.

XI. RECORDKEEPING

A. Contractor shall maintain all Inventory Control Forms and all supporting records (including but not limited to invoices, receipts, purchase orders, etc.) for Assets and Supplies pursuant to Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.

B. Contractor shall make these documents available for collection and/or viewing by Federal, State and County authorities.

EXHIBIT N
INVENTORY CONTROL FORM

Contractor's Name: _____ **Contract Number:** _____

Address: _____

Contract Services: _____ **Fiscal Year:** _____

Completed By: _____ **Phone Number:** _____ **Title:** _____

County Asset Bar Code ID Number	Funding Source (If multiple funding sources, indicate % split)	Description (Monitor, CPU, etc.)	Brand Name	Model Name or Model No.	Serial No.	Location of Asset	Assigned to (Name of Person)	Cond. of Asset*	Purchase Order No.	Purch. Date	Unit Price

I certify under penalty of perjury that a complete physical inventory has been conducted, the information provided on this form is correct to the best of my knowledge, and all purchases were made in accordance with the conditions of this Contract and are in compliance with local, State, and federal regulations.

_____ Name of Authorized Representative

_____ Signature

_____ Title of Authorized Representative

_____ Date

*** Provide condition of the asset upon its disposal, transfer or as requested by County. Condition descriptions: V=Very Good; G=Good; F=Fair; P=Poor; S=Salvage/disposed**

EXHIBIT O
(CHARITABLE CONTRIBUTIONS CERTIFICATION)

Contractor's Name _____ Contract Number _____

Address _____

Internal Revenue Service Employer Number Identification Number _____

California Registry of Charitable Trusts "CT" Number (if applicable) _____

The Nonprofit Integrity Act (Senate Bill 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

Check the certification below that is applicable to your organization:

☐ Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Contractor engages in activities subjecting it to those laws during the term of this Contract, it will timely comply with them and provide County's Contract Manager a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

OR

☐ Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, Sections 300-301 and California Government Code Sections 12585-12586.

Name of Authorized Representative (Print) _____ Signature _____

Title of Authorized Representative (Print) _____ Date _____

EXHIBIT Q
(CERTIFICATION OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM)

Contractor's Name _____ Contract Number _____

Address _____

Telephone Number _____ E-Mail Address _____

Contract Services _____

Contractor certifies that:

☐ It is familiar with the terms of the County of Los Angeles Defaulted Property Tax Reduction Program, Los Angeles County Code Chapter 2.206; **and**

To the best of its knowledge, after a reasonable inquiry, Contractor is not in default, as that term is defined in Los Angeles County Code Section 2.206.020.E, on any Los Angeles County property tax obligation; **and**

It agrees to comply with County's Defaulted Property Tax Reduction Program during the term of this Contract.

- OR -

☐ It is exempt from the County of Los Angeles Defaulted Property Tax Reduction Program, pursuant to Los Angeles County Code Section 2.206.060, for the following reason:

On behalf of Contractor's organization, I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Name of Authorized Representative (Print) _____ Signature _____

Title of Authorized Representative (Print) _____ Date _____

EXHIBIT R
(CONTRACT MANAGEMENT SYSTEM – CONTRACTOR'S GATEWAY TERMS AND CONDITIONS OF USE)

1.0 County has developed the Contract Management System – Contractor's Gateway (hereafter "System"), an automated system designed to electronically manage this Contract. County has implemented the System and Contractor shall use the System to perform its administrative contracting functions as directed by County.

2.0 County has established policies concerning the access, use and maintenance of the System. Contractor shall adhere to these policies, which include this Exhibit R (hereafter "Terms and Conditions of Use"), the Contract Management System-Contractor's Gateway User Acknowledgement Agreement ("User Acknowledgement Agreement"), instruction guides/tutorials provided by County, training sessions conducted by County, etc. Contractor's non-compliance with these policies may subject Contractor to denial of access to the System, suspension of payment(s), termination of this Contract, and/or other actions which County may take at its sole discretion.

3.0 System Access and Control

3.1. Contractor shall access the System using the following Uniform Resource Locator (URL) link: https://gateway.css.lacounty.gov:4443/OA_HTML/AppsLogin (please note there is an underscore between "OA" and "HTML" in the URL).

3.2. Contractor shall ensure that data that is accessed using County information technology resources must be used for County authorized purposes and must not be disclosed to others without County's prior written authorization or unless required by Federal, State or Program regulations.

3.3. Unauthorized access by Contractor to any County information technology resource, including the System, network, software application programs, data files, and restricted work areas is prohibited.

3.4. Accessing the System During Non-Business Hours

3.4.1. County recommends that Contractor does not access the System during non-business hours in order to allow County to provide technical assistance when requested from Users (who are defined in Section 5.0 (User Accounts), herein).

3.4.2. For purposes of this Terms and Conditions of Use, non-business hours are defined as the days and times that are outside of the traditional work week (where the traditional work week is

recognized as Monday – Friday, 8:00 a.m. to 5:00 p.m.). The traditional work week does not include County-recognized holidays.

3.4.3. Generally, County-recognized holidays are the same as Federally-recognized holidays such as January 1st, July 4th, December 25th, etc. of each year. Contractor may obtain a current list of County-recognized holidays from County's Contract Manager.

4.0 System Protocols and Security

4.1. Digital communications that occur between Contractor and County within the System are conducted over a secure network, which has been established by County using Secure Socket Layer technology, one of the most robust encryption platforms available.

4.2. The System's URL provides an assurance to County and Contractor that accessing and using the System are done securely. A Web browser in secure mode will display a URL address beginning with "https://" rather than the standard "http://", where the "s" in "https://" stands for "secure".

4.3. County has established these secure, standard protocols which encrypt data across publicly used Internet connections.

4.4. County will make every effort to provide standard Internet-level performance while Users utilize the System. Contractor shall contact County when it experiences any disruptions in services by following the guidelines established in Sub-section 8.2, herein.

5.0 User Accounts

5.1. Designation of Users

5.1.1. Contractor shall designate Contractor Employees (Users) who shall be responsible for operating the System on Contractor's behalf.

5.1.2. For purposes of this Terms and Conditions of Use, a Contractor Employee is defined as a staff member on Contractor's payroll who works on this Contract.

5.1.3. Contractor shall obtain prior approval from County to designate an account for each User who accesses the System. Contractor shall follow the instruction guides/tutorials provided by County and the general guidelines outlined in Sub-section 5.5 (Requesting User Accounts), herein, for requesting, creating and designating User accounts.

5.2. User Account Classification

5.2.1. User accounts are classified as either View-Only or Administrative. Contractor shall designate a classification for each User when requesting approval for a User account.

5.2.2. There are two (2) types of User account classifications:

5.2.2.1. View-Only User: A User who can access the System to view all Contract documents and agency information.

5.2.2.2. Administrative User: A User who can access the System to view all Contract documents and agency information, submit Contract documents to County, update Contractor's administrative information, receive automated System alerts/notices (when designated as the contact person for this responsibility), and perform other functions as defined by County.

5.3. Active and Inactive User Accounts

5.3.1. An active User account is defined as a User who has an approved, current, valid account, which does not have an inactive or termination date in the System. This User can access the System and perform functions based on his/her account classification (as defined in Sub-section 5.2 (User Account Classification), herein).

5.3.2. An inactive User account is defined as a User whose account profile has been assigned an inactive or termination date and User can no longer access the System.

5.4. Contractor shall designate and maintain a minimum of two (2) active Users (up to a maximum of four (4) active Users) at all times as follows:

5.4.1. Contractor shall designate at least one (1) Administrative User at the level of Contractor's Project Director.

5.4.2. Contractor shall designate at least one (1) User who has delegated authority to execute this Contract. This User shall be at the level of the Executive Director and may be classified as either a View-Only User or an Administrative User.

5.4.3. One of the two Users shall be designated as the responsible contact who shall receive and respond to System generated alerts/notices pertaining to Contract Document Deliverables (e.g., insurance certificates, business licenses, permits, etc.).

5.5. Requesting User Accounts

5.5.1. Contractor shall obtain prior approval from County in order to establish User accounts in the System. Contractor shall follow these general guidelines to obtain County's approval:

5.5.1.1. Contractor shall review its Employees, assess each of their responsibilities, and determine which Employee(s) should have a User account in the System.

5.5.1.2. Contractor shall provide the Employee with the User Acknowledgement Agreement, and the Employee shall read and complete the form. Contractor's Authorized Representative shall review and sign the form. Contractor shall ensure that the User Acknowledgement Agreement is completed for each Employee that will receive a User account.

5.5.1.3. Contractor shall ensure that the completed User Acknowledgement Agreement is attached/saved in the System as a Contract Document Deliverable (on the General Page of the Administration tab) prior to requesting and being granted access to the System by County.

5.5.1.4. Contractor shall create a profile for each User in the System.

5.5.1.5. Upon County's receipt of the User profile submitted by Contractor, County will review User's profile and Employee's completed User Acknowledgement Agreement.

5.5.1.6. County will inform Contractor whether the User account has been approved or rejected.

5.5.2. Approved and Rejected User Accounts

5.5.2.1. Upon approval of Contractor's request for a User account, County will provide User with a unique User Name (logon/System identifier) and a default password.

5.5.2.1.1. User shall be responsible for changing his/her password when prompted by the System.

5.5.2.1.2. User may begin accessing the System immediately.

5.5.2.2. Upon rejection of Contractor's request for a User account, County will follow-up with Contractor to discuss the reason(s) for rejecting Contractor's request for a User account.

5.5.3. Contractor's Assurances Upon Creating User Accounts

5.5.3.1. Contractor is responsible for the conduct of all Users who access and utilize the System. Contractor shall ensure that Contractor and its Users adhere to this Terms and Conditions of Use, the User Acknowledgement Agreement, instruction guides/tutorials provided by County, training sessions conducted by County, etc. which establish the policies under which the Users shall operate the System.

5.5.3.2. Contractor shall ensure that each User's copy of the User Acknowledgement Agreement forms are saved in the System as a Contract Document Deliverable. Contractor shall not delete any User Acknowledgement Agreement forms from the System without County's written prior approval.

5.5.3.3. Contractor shall ensure that all Users receive and maintain current copies of all instruction guides/tutorials for using the System, which are developed by County and provided to Contractor.

5.6. User Name and Password

5.6.1. Contractor shall ensure that its Users do not share their unique User Name and password with any other person.

5.6.2. County recommends that Users change their passwords every three (3) months to ensure additional password security.

5.6.3. Contractor shall ensure that all Users maintain valid, secure e-mail accounts, which shall be used for self-service maintenance of User Name and password information. In the event that Users forget their User Name or password, User shall adhere to the instruction guides/tutorials provided by County for resetting the User Name or password.

5.6.4. Repeated changes to a User's password outside of the recommended three-month period, as noted in Sub-section 5.6.2, herein, shall be monitored and investigated by County and may result in County suspending User's access.

5.7. Change in User's Status

5.7.1. When a User's status changes (e.g., he/she is no longer employed by Contractor or User's responsibilities change), Contractor's Authorized Representative shall take immediate action to update the User's account profile. Updates to User account profiles shall be approved by County.

5.7.2. Contractor shall update User account profiles in the System by removing a User's account once that User is no longer an Employee on this Contract.

5.7.3. New Employees/Users

5.7.3.1. When Contractor determines that a new Employee shall receive a User account, Contractor shall adhere to the guidelines established in Sub-section 5.5 (Requesting User Accounts), herein, to create an account in the System.

5.7.3.2. Prior to requesting a new User account, Contractor shall ensure that it continues to maintain at least two (2) active Users and does not exceed the maximum of four (4) Users (pursuant to Sub-section 5.4, herein).

5.7.4. Contractor shall regularly review all User account information to ensure accuracy and completeness. Contractor shall ensure that updates are completed whenever administrative changes occur.

5.7.5. If County determines at its own discretion that Contractor is creating or removing User accounts too frequently then County shall take appropriate measures to investigate and remedy these occurrences. Upon County's request, Contractor shall provide sufficient justification for these frequent User account updates.

6.0 General Policies for Use

6.1. County information technology resources are to be used solely for County business purposes.

6.2. County may periodically update this Terms and Conditions of Use and the User Acknowledgement Agreement policies. County may also implement

future enhancements to the System. Contractor shall ensure that Contractor and Users adhere to all policy updates as well as any new procedures for using System enhancements.

6.3. Data Integrity

6.3.1. Contractor shall ensure that Users maintain the integrity of data they enter in the System, and do not save, store or attach electronic files in the System which do not meet the following requirements:

6.3.1.1. File types must be Word, Excel or Portable Data Format (PDF) documents. Files such as pictures, videos, music, PowerPoint presentations, or other files as determined by County are not acceptable types of documents.

6.3.1.2. File types must be compatible with standard/common national brands, including Microsoft Office 2003 products or later version (Word, Excel, etc.), Adobe Reader 9.0 (or later version) or their equivalent.

6.3.1.3. Files shall not be corrupted (i.e., documents shall be free of viruses).

6.3.1.4. The size limit of each file shall not exceed ten (10) megabytes (10 MB).

6.3.2. Contractor's non-compliance with the data requirements outlined herein will be remedied at County's sole discretion.

6.4. E-Mail Alerts and Notices

6.4.1. The System generates automatic e-mail alerts and notices based on the occurrence of certain events. These events may include, but are not limited to, confirmation of executed Contract (or Amendments), request for Contract Document Deliverables, notification of expired Contract Compliance Document Deliverables, etc.

6.4.2. Contractor shall ensure that its Users adhere to all alerts and notices generated by the System. These alerts and notices shall convey and have the same effect and importance as alerts and notices sent by County's Administration (or their designees) as defined in Paragraph 6.0 (Administration of Contract-County) in this Contract and Exhibit E (County's Administration). Contractor shall appropriately respond to all requests for documentation, promptly

adhere to due dates/deadline requirements and diligently follow all instructions indicated in the alert/notice.

6.5. Administrative Changes

6.5.1. Pursuant to Paragraph 7.0 (Administration of Contract-Contractor) and Paragraph 8.34 (Notices) of this Contract, Contractor shall designate its authorized staff by using Exhibit F (Contractor's Administration). Further, Contractor shall initiate any changes in its staff, including those listed on Exhibit F (Contractor's Administration), by giving written notice to County.

6.5.2. When changes to Contractor's staff, address or other items requiring written notice are necessary, Contractor shall:

6.5.2.1. Adhere to the requirements outlined in Paragraph 8.34 (Notices) of this Contract.

6.5.2.2. Upon providing the required written notice to County, update the administrative data in the System, including all User account profile information.

6.5.3. Implementation and use of the System shall not excuse Contractor from adhering to the requirements for providing proper written notice to County when changes occur in Contractor's administration.

7.0 Monitoring

7.1. All County information technology resources are subject to audit and periodic, unannounced review by County.

7.2. County reserves the right to administer, monitor, audit and/or investigate Contractor's access to and use of County's information technology resources (i.e., System, e-mails, Contractor-generated data files, etc.). If evidence of abuse or negligence is identified, County will take the appropriate actions to remedy any areas of Contractor's non-compliance.

7.3. During County's monitoring of User activities, unusual practices will be investigated and reported to County's Administration. County will take the necessary steps to remedy Contractor's inappropriate use of the System. Unusual practices may include, but are not limited to, the following:

7.3.1. Users frequently accessing the System during non-business hours (pursuant to Sub-section 3.4 (Accessing the System During Non-Business Hours), herein).

7.3.2. Contractor not maintaining the minimum and/or exceeding the maximum number of Users at any point in time (pursuant to Sub-section 5.4, herein).

7.3.3. Users changing their passwords more than the recommended limit (pursuant to Sub-section 5.6.4, herein).

7.3.4. Contractor frequently changing its Users (pursuant to Sub-section 5.7.5, herein).

8.0 System Maintenance and Technical Assistance

8.1. To ensure proper operation of the System, County will periodically perform routine System maintenance activities. Since these activities will impact the ability of Users to access the System, County will notify Users when they attempt to login that System maintenance is occurring and County will indicate the time when the System will become available. Generally, System maintenance activities will occur during non-business hours (e.g., weekends, late evenings, County-recognized holidays, etc.) to limit the impact to Users.

8.2. County will provide assistance to Users in the event of technical difficulties that may occur while utilizing the System. Technical assistance will be provided as follows:

8.2.1. Monday through Friday, 8:00 a.m. to 5:00 p.m. (excluding County-recognized holidays).

8.2.2. County's Administrators

8.2.2.1. Ms. Tsotso Odamtten may be reached by phone or e-mail, respectively, as follows: (213) 738-2663 or todamtten@css.lacounty.gov.

8.2.2.2. Ms. Lynn Tran may be reached by phone or e-mail, respectively, as follows: (213) 739-7393 or ltran@css.lacounty.gov.

8.2.3. County will follow-up on requests for assistance from Contractor within at least two (2) business days during the traditional work week (pursuant to Sub-sections 3.4.2 and 8.2.1, herein).