

CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: 08/06/2015

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FROM (DEPARTMENT): Economic and Workforce Development Department

CONTACT PERSON: Sucy Yu PHONE: (213) 744-7212

CONTRACT NO.: C-126032 COUNCIL FILE NO.: 15-0704

ADOPTED BY COUNCIL: 06/30/2015

APPROVED BY BPW: DATE
N/A
DATE

NEW CONTRACT
AMENDMENT NO. ____
ADDENDUM NO. ____
SUPPLEMENTAL NO. ____
CHANGE ORDER NO. ____

CONTRACTOR NAME: Watts Labor Community Action Committee

TERM OF CONTRACT: July 1, 2015 THROUGH: June 30, 2016

TOTAL AMOUNT: \$259,964

PURPOSE OF CONTRACT:

(T5832)
LOS ANGELES COUNTY YOUTH JOBS (LACYJ) PROGRAM
-- AREA(S): SOUTH

TO PROVIDE DISADVANTAGED YOUTH WITH PAID WORK EXPERIENCE AND PAID
PERSONAL ENRICHMENT AND WORK READINESS TRAINING

NOTE: CONTRACTS ARE PUBLIC RECORDS - SCANNED AND UPLOADED TO THE INTERNET

CITY OF LOS ANGELES
COUNTY OF LOS ANGELES CALWORKS AND GENERAL FUND
SERVICE CONTRACT STANDARD LANGUAGE

Agreement No.: (T5832) C-126032

Project Title: Los Angeles County Youth Jobs Program

Contractor: Watts Labor Community Action Committee

Doing Business As: N/A

Type of Organization: Corporation - Nonprofit Public Benefit

Corporate Number: C0537683

D-U-N-S® (Data Universal
Numbering System)
Number: 06-668-2048

Service Area(s): South

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**CITY OF LOS ANGELES
CONTRACTOR RESPONSIBILITY ORDINANCE**

CRO QUESTIONNAIRE RECEIPT VERIFICATION FORM

To verify the Contractor Responsibility Ordinance's (CRO) compliance, this form must be completed by the Awarding Authority and submitted to the appropriate Designated Administrative Agency (DAA) along with the Responsibility Questionnaires. Upon receipt of the Questionnaires, the DAA will return this signed form to the Awarding Authority. **The Awarding Authority must attach the certified form to each draft contract for review by the Office of the City Attorney. No contract may be executed unless a certified Receipt Verification Form indicates that the CRO requirement has been met.**

1. Information Regarding Proposed Contract

Project Name/Description: 2015 County Youth Jobs Program (75832)

RFB/RFQ/RFP # (if any):		Date RFB/RFQ/RFP Released:
Procuring Dept.:	EWDD	Mail Stop #: 854
Name of Dept. Contact:	SUCY YU	Phone: (213) 744-7212

2. Questionnaires Are Submitted for the Following Bidders/Proposers/Proposed Contractors:

Company Name:	Watts Labor Community Action Committee		
Company Address:	10950 S. Central Ave.		
City:	Los Angeles	State: CA	Zip: 90059

Company Name:			
Company Address:			
City:		State:	Zip:

Company Name:			
Company Address:			
City:		State:	Zip:

Company Name:			
Company Address:			
City:		State:	Zip:

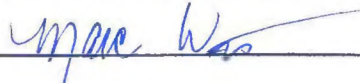
FOR DAA USE ONLY – VERIFICATION REGARDING RECEIPT

The Responsibility Questionnaires for the bidders/proposers/proposed contractors listed above were received on (date) JUL 20 2015

The Questionnaires were processed by:

☒ Dept. of Public Works for Construction Contracts and Service Contracts
☐ Dept. of General Services for Procurement Contracts

Authorized DAA Representative (Print Name) Marc Wright Phone (213) 847-2408

DAA Representative Signature  Date JUL 20 2015

**CITY OF LOS ANGELES
PLEDGE OF COMPLIANCE WITH CONTRACTOR RESPONSIBILITY ORDINANCE**

Los Angeles Administrative Code (LAAC) Section 10.40 et seq. (Contractor Responsibility Ordinance) provides that, unless specifically exempt, City contractors working under service contracts of at least \$25,000 and three months, contracts for services and for purchasing goods and products that involve a value in excess of twenty-five thousand dollars (\$25,000) and a term in excess of three months are covered by this Article; and construction contracts of any amount; public lessees; public licensees; and certain recipients of City financial assistance or City grant funds, shall comply with all applicable provisions of the Ordinance. Upon award of a City contract, public lease, public license, financial assistance or grant, the contractor, public lessee, public licensee, City financial assistance recipient, or grant recipient, and any its subcontractor(s), shall submit this Pledge of Compliance to the awarding authority.

The contractor agrees to comply with the Contractor Responsibility Ordinance and the following provisions:

- (a) To comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (b) To notify the awarding authority within 30 calendar days after receiving notification that any governmental agency has initiated an investigation which may result in a finding that the contractor did not comply with any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (c) To notify the awarding authority within 30 calendar days of all findings by a governmental agency or court of competent jurisdiction that the contractor has violated any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (d) If applicable, to provide the awarding authority, within 30 calendar days, updated responses to the Responsibility Questionnaire if any change occurs which would change any response contained within the Responsibility Questionnaire and such change would affect the contractor's fitness and ability to continue the contract.
- (e) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (f) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, sublicensee that perform or assist in performing services on the leased or licensed premises) submit a Pledge of Compliance.
- (g) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with paragraphs (b) and (c).

Failure to complete and submit this form to the Awarding Authority may result in withholding of payments by the City Controller, or contract termination.

Watts Labor Community Action Committee
Company Name, Address and Phone Number

Signature of Officer or Authorized Representative

6/22/15

Date

Timothy Watkins, President/CEO
Print Name and Title of Officer or Authorized Representative

Economic and Workforce Development Department
Awarding City Department

Contract Number

AGREEMENT NUMBER _____ OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
WATTS LABOR COMMUNITY ACTION COMMITTEE

THIS AGREEMENT is made and entered into by and between the City of Los Angeles (City), a municipal corporation, and the Watts Labor Community Action Committee, a Corporation - Nonprofit Public Benefit (Contractor).

RECITALS

WHEREAS, the City has entered into a Los Angeles County Youth Jobs (LACYJ) Program agreement with the County of Los Angeles Community and Senior Services ("Grantor" or "County") to provide paid work experience to youths; and

WHEREAS, the Economic and Workforce Development Department ("EWDD") has been designated by the City to provide for the proper planning, coordination, direction and management of the City's various community development activities; and

WHEREAS, the City cooperates with private organizations, other agencies of the City and agencies of other governmental jurisdictions in carrying out certain functions and programs which are its responsibility; and

WHEREAS, the project which is the subject of this agreement (Agreement) has been established by the City as one of the above described programs, and has been funded in the EWDD budget which has been approved by the Los Angeles City Council (City Council) and the Mayor; and

WHEREAS, the services to be provided herein are of a professional, expert, temporary, and occasional nature; and

WHEREAS, pursuant to Los Angeles City Charter Section 1022, the City Council or designee has determined that the work can be performed more economically or feasibly by independent contractors than by City employees; and

WHEREAS, the City and the Contractor are desirous of executing this Agreement as authorized by the City Council and the Mayor (refer to Council File Number 15-0704 dated June 30, 2015) which authorizes the General Manager of the EWDD to prepare and execute the Agreement.

NOW, THEREFORE, the City and Contractor agree as follows:

1. INTRODUCTION

§101 TERMS OF AGREEMENT

This Agreement, including all exhibits and attachments, including, but not limited to, the Standard Provisions for City Contracts (Rev. 4/9/14), which is attached hereto as Exhibit "A" and incorporated herein by reference, shall constitute the terms of this Agreement.

§102 NOTICES

A. The parties to whom formal notices, demands and communications shall be forwarded are as follows:

1. The City, represented by:

Jan Perry, General Manager
Economic and Workforce Development Department
1200 W. 7th Street, 6th Floor
Los Angeles, CA 90017

With copies to:

Lisa T. Salazar, Director of Youth System
Program Operation Division

2. The representative of the Contractor shall be:

Timothy Watkins, President/CEO
10950 S. Central Avenue
Los Angeles, CA 90059

With Copies to:
Elton Blake, Program Director

§103 SERVICE OF NOTICES

- A. The City's representative as stated above is the party authorized to provide written approvals by City to Contractor in reference to matters addressed in this Agreement.
- B. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.
- C. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be given, in accord with this section, within five (5) days of said change.

§104 CONDITIONS PRECEDENT TO EXECUTION OF THIS AGREEMENT

- A. Prior to the execution of this Agreement, Contractor shall submit to the City for approval in writing the following documents:
 - 1. Insurance Certificates - The requirements and instructions for completing, executing, and submitting evidence of insurance to the City are set forth in the City's Insurance Requirements, attached hereto as Exhibit B and incorporated herein by reference, and more fully described in §402 hereinbelow.
 - 2. An Affirmative Action Plan in accordance with §403 herein and a copy of which is located on the City's Business Assistance Virtual Network (BAVN) at www.labavn.org.
 - 3. A Special Bank Account Agreement with a bank for the deposit of the advanced funds, if the City has approved the advancement of funds to Contractor. The Special Bank Account Agreement shall be on a form supplied by the City that sets forth the right of the City to exercise a suspension of business upon proper notice to the bank by the City.
 - 4. A Code of Conduct that meets the requirements of §404 herein.

- B. Prior to execution of this Agreement, Contractor shall provide the City with the documents listed below. Contractor shall provide immediate updates to these documents to the City during the Term hereof in the event that the information changes.
1. A current list of the members of the Board of Directors with their individual addresses where they may be reached.
 2. Contractor's Articles of Incorporation and all amendments to those Articles, as filed with the Secretary of State.
 3. Contractor's Bylaws, and all amendments to those Bylaws, as adopted by Contractor and properly attested.
 4. Resolutions of Executorial Authority or other corporate actions of Contractor's Board of Directors, properly attested or certified, which specify the name(s) of the person(s) authorized to obligate Contractor and execute contractual documents. If the authorized person is someone other than Contractor's Corporate President, then Contractor shall also submit a copy of a signature specimen(s) on a form provided by the City.
 5. A current and valid license to do business in the City. Contractor represents that it has obtained and presently holds the Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, §21.00, *et seq.*, of the Los Angeles Municipal Code). For the term of this Agreement, Contractor shall maintain, or obtain as necessary, all certificates required of it under the Business Tax Ordinance and shall not allow the certificate to be revoked or suspended.
 6. An Internal Revenue Service taxpayer identification number.
 7. A Contractor Responsibility Ordinance Questionnaire in accordance with PSC – 34 of the Standard Provisions for City Contracts and Los Angeles Administrative Code § 10.40 *et seq.*
 8. A Certification Regarding the Notice of Prohibition Against Retaliation attached hereto as Exhibit C and incorporated herein by reference. Contractor shall comply with the requirements of the Notice of Prohibition Against Retaliation as it relates to the Living Wage Ordinance.
 9. A Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion, fully executed in accordance with Executive Orders 12549 and 12689, and 29 CFR Parts 97.35 and 98.510, and attached hereto as Exhibit "D" and incorporated herein by reference.
 10. A Certification Regarding Lobbying, fully executed in accordance with City Directive 91-3 (July 27, 1990) and attached hereto as Exhibit "E" and incorporated herein by reference. Contractor shall comply with all provisions of 31 USC §1352 *et seq.* and 29 CFR Part 93.
 11. A Certification of Compliance With Equal Benefits Ordinance/Reasonable Measures Application for Equal Benefits Ordinance in accordance with PSC – 36 of the Standard Provisions for City Contracts and Los Angeles Administrative Code Section 10.8.3.
 12. A Certification of Compliance with the Slavery Disclosure Ordinance in accordance with PSC – 37 of the Standard Provisions for City Contracts and Los Angeles Administrative Code § 10.41.
 13. A Management Representation Statement fully executed in accordance with City's fiscal policies and attached hereto as Exhibit "F" and incorporated herein by reference.
 14. An Iran Contracting Act of 2010 Compliance Affidavit in accordance with PSC-39 of the Standard Provisions for City Contracts, if applicable.

§105 CONTRACTOR'S ADMINISTRATIVE AND PERSONNEL DOCUMENTS

Contractor warrants that it has adopted, shall retain, and make available upon request from the City, the following documents and their amendments, if any:

- A. Contractor's Financial and Accounting Procedures, which incorporate Generally Accepted Accounting Principles (GAAP) including, but not limited to, the preparation and submission of invoices, reconciliation of cash on-hand and earnings with City records, reporting and tracking of customer activity and earnings, repayment of unearned funds, preparation for the resolution of audits and inspections, inventory control, reporting and tracking of program income.
- B. Contractor's Personnel Policy, which incorporates due process protection and standard personnel procedures, and which the Contractor agrees to abide by in the performance of this Agreement.

C. Agreements with Other Funding Sources: A copy of any agreements between Contractor and other public or private organizations that directly impact the activities funded under this Agreement shall be kept on file at Contractor's offices and be provided to the City upon Agreement execution. Contractor shall also notify City of any default, termination, or finding of disallowed costs under these agreements. Contractor warrants that no other funding source will be billed for services that are provided and paid for by the City under this Agreement.

D. Board of Director's meeting minutes.

§106 CONTRACTOR'S DUTY TO NOTIFY CITY OF CHANGES

- A. Contractor agrees to provide the City sixty (60) days advance written notice of any facts that may materially affect the performance of this Agreement or impact the City's decision to continue this Agreement with Contractor. Among the items to be disclosed are an amendment to its Articles of Incorporation or Bylaws, move to dissolve or transfer any assets derived from funds provided under §301 herein, negotiations leading to the sale, merger or acquisition of Contractor; debarment or contract termination by any other public entity and/or any final audit findings regarding Contractor's administration of any contract with public funds.
- B. Contractor shall notify the City within five (5) days of changes affecting this Agreement including actions that would change Contractor's legal status, any action that may materially change the performance of the Scope of Work (i.e., bankruptcy) and/or a change in Contractor's corporate name.

2. TERM AND SERVICES TO BE PROVIDED

§201 TIME OF PERFORMANCE

- A. The term of this Agreement shall be from **July 1, 2015 to June 30, 2016**, and any additional time as may be necessary to close out activities, provided that said term is subject to the provisions of this Agreement ("Term"). Performance shall not commence until the City has approved all of the required documents described hereinabove, and is in receipt of those and/or other documents as described herein.
- B. The City may, at its discretion, agree to extend the Term and/or provide additional funds to Contractor. Funding for contract extensions will be based on the availability to the City funds and upon Contractor's successful performance of all terms of this Agreement.

§202 SCOPE OF WORK AND CONTRACTOR RESPONSIBILITY

- A. Contractor shall provide paid work experience to eligible youth who reside in the City. The target population includes eligible youth from California Work Opportunity and Responsibilities to Kids (CaWORKs) program, in foster care, on probation, who are homeless, who receive general relief and are from low income households. The detailed scope of work is attached hereto as Exhibit G and incorporated herein by reference. Contractor shall complete the Scope of Work during the Term, except as otherwise provided herein.

§203 BUDGET

- A. Contractor shall submit to the City for approval prior to the disbursement of any funds hereunder a proposed Budget. The Budget shall be prepared in accordance with the budget guidelines to be provided by the City. The Budget is a detailed listing of items for expenditure and scope of service(s) under the terms herein. The Budget shall be submitted with all backup documentation as required and/or a cost allocation plan, if necessary and appropriate. All requests to modify the Budget must be made in writing and must be approved in writing by the City. The Budget shall also describe all subcontractor services to be used by the Contractor and the payment procedures for subcontractors.

3. PAYMENT

§301 COMPENSATION AND METHOD OF PAYMENT

- A. The City shall pay to Contractor an amount not to exceed Two Hundred Fifty-Nine Thousand Nine Hundred Sixty-Four Dollars (\$259,964) for the complete and satisfactory performance of the terms of this Agreement. Such funds shall be allocated from Los Angeles County (County) of U.S. Department of Health & Human Services CaWORKs Temporary Assistance for Needy Families (TANF) fund, County General Fund, and County Foster Youth Fund, and shall be spent in accordance with a City approved Budget/Expenditure Plan

incorporated herein by reference. Contractor's authority to expend such funds shall be for specific time periods as set forth in §201.

TABLE OF FUNDING ALLOCATION

Funding Source	CalWORKs TANF (CFDA# 17.258)	County General Fund	County Foster Youth Fund	Total Allocation
Amount	\$121,316	\$121,317	\$17,331	\$259,964

It is understood that the City makes no commitment to fund this Agreement beyond the terms set herein.

Contractor shall not charge more than 4% administrative costs to this Agreement.

1. Expenditure Reporting

a. Contractor shall comply with the expenditure and reporting requirements as follows:

- (1) Expenditure Report – Contractor shall submit the Expenditure Report to the City, which reflects accrued expenditures on City approved forms.
- (2) Cash Request – Due as cash is necessary, a Cash Request shall be submitted on standard City forms by the 15th of the following month.
- (3) Closeout Invoice - Contractor shall submit within **fifteen (15) days** following the termination of this Agreement, on forms provided by the City, a complete and accurate final closeout invoice including allowable accruals of allowable expenditures and a remittance for all unearned grant funds as identified in the closeout. Final requests to modify Budget/Expenditure Plans shall be submitted to the City prior to final closeout. §501, Defaults, identifies City remedies for failure to comply with this requirement. Contractor certifies by submission of the said closeout invoice that 1) costs reported and payments requested are valid and consistent with the terms of the contract, 2) contract cash payment received from the City shall be used only to pay for expenditures as reported on the contract final closeout invoices, and 3) costs reported and payments are subject to City verification.
- (4) City Remedies - If Contractor's reports or other documentation are not submitted as required, the City reserves the right to withhold payments to Contractor or to impose other sanctions, at the City's sole discretion.

2. Expenditure Requirements

a. Administrative Cost

City shall not reimburse administrative costs that exceed those approved in the Budget/Expenditure Plan.

Loss of County General Funds

This Agreement is funded entirely with County general funds. In the event that County general funds are rescinded or no longer authorized for this program, this Agreement may be reduced or terminated immediately upon written notice to Contractor by the City.

b. Advance Funds

Contractor shall receive advance funds at the City's sole discretion. Approval, if any, for advance funds shall be noted on the approval of Contractor's Budget/Expenditure Plan.

- (1) Contracts with cost reimbursement provisions may be provided with estimated cash needs on a monthly basis during the contract period.
- (2) Interest earned on cash advances shall be remitted to the City within ten (10) working days after the quarter interest is earned. Contractor shall return advanced funds which exceed payments due to Contractor, if any, within thirty (30) days of completion or termination of this Agreement.

4. STANDARD PROVISIONS

The provisions of the body of this Agreement shall prevail over the provisions of the Standard Provisions for City Contracts should there be any inconsistency. The term "contract" as used in the Standard Provisions for City Contracts shall include this Agreement.

§401 INTENTIONALLY OMITTED

§402 INSURANCE

A. General Conditions

1. During the Term and without limiting Contractor's duty of indemnification herein, Contractor shall provide and maintain at its own expense a program of insurance having coverage and limits customarily carried and actually arranged by Contractor but not less than the amounts and types listed on the Required Insurance And Minimum Limits Sheet (Form Gen. 146) in Exhibit B hereto, covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with instructions set forth on the City of Los Angeles—Instructions And Information On Complying With City Insurance Requirements (Revised 10/09) document, and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. Specifically, such insurance shall: 1) protect City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interest May Appear, respectively, when such status is appropriate and available depending on the nature of applicable coverage; 2) provide City at least thirty (30) days advance written notice of cancellation, material reduction in coverage or reduction in limits when such change is made at option of the insurer; and 3) be primary with respect to City's insurance plan. Except when City is a named insured, Contractor's insurance is not expected to respond to claims which may arise from acts or omissions of the City.
2. The standard City insurance conditions are incorporated into the sample standard subcontract provisions. The specific insurance coverages and limits shall be described by Contractor in any RFP for subcontractor services. These coverages and limits should be tailored to the individual subcontract. For City contracts, Required Insurance and Minimum Limits are set by the City Risk Management staff in the Office of the City Administrative Officer on the Form Gen. 146. Electronic submission is the preferred method of submitting your evidence of insurance documents. **Track4LA™** is the City's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the ACORD 25 Certificate of Liability Insurance in electronic format. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA™** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf. Additional instructions and information on complying with City insurance requirements can be found at http://cao.lacity.org/risk/Submitting_proof_of_Insurance.pdf.

B. Modification of Coverage

City reserves the right at any time during the Term to change the amounts and types of insurance required hereunder by giving Contractor ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to Contractor, City agrees to negotiate additional compensation proportional to the increased benefit to City.

C. Failure to Procure Insurance

All required insurance must be submitted and approved by the City Administrative Officer/Risk Management/Insurance and Bonds prior to the performance of services, inception of any operations or tenancy by Contractor. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by City. Non-availability or non-affordability must be documented by a letter from Contractor's insurance broker or agent indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each.

Within the foregoing constraints, Contractor's failure to procure or maintain required insurance or a self-insurance program during the Term shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to

protect City's interests and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

D. Workers' Compensation

By signing this Agreement, Contractor hereby certifies that it is aware of the provisions of § 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Agreement.

A Waiver of Subrogation in favor of City will be required when work is performed on City premises under hazardous conditions.

§403 NONDISCRIMINATION AND AFFIRMATIVE ACTION

- A. Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State, and the City. In performing this Agreement, Contractor shall not discriminate in its employment practices, against any employee or applicant for employment, denial of family and medical care leave; denial of pregnancy disability leave or reasonable accommodations against any employee or applicant for employment because of such person's race, ancestry, color, citizenship, national origin, religion, sex, sexual orientation, gender identity/expression, age, marital status, familial status, domestic partner status, physical handicap, mental disability, medical condition, political affiliation or belief. Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in DOL regulations (41 CFR Part 60).
- B. Contractor shall comply with the provisions of the Los Angeles Administrative Code §§ 10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of \$1,000 but not more than \$100,000, the Equal Employment practices provisions of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code § 10.8.3, in which event said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of \$100,000, the Affirmative Action Program of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code § 10.8.4, in which event said provisions are incorporated herein by this reference. Contractor shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by City.
- C. Any subcontract entered into by Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this section.
- D. No person shall on the grounds of race, ancestry, color, citizenship, national origin, religion, sex, sexual orientation, gender identity/expression, age, marital status, familial status, domestic partner status, physical handicap, mental disability, medical condition, political affiliation or belief be excluded from participation in, be denied the benefit of, or be subjected to discrimination under this program/project. For purposes of this section, 41 CFR Part 60 and Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 define specific discriminatory actions that are prohibited and corrective action that shall be taken in a situation as defined therein.

§404 CONFLICT OF INTEREST

A. No City-funded Employees as Board Members

The City will not execute any agreements and/or amendments with contractors where an employee (an individual who is paid or receives any financial benefit from funds from the agreement with the City), is a member of the Board of Directors. The Board minutes must reflect this requirement.

B. Code of Conduct

- 1. The City requires that all contractors/sub-contractors adopt a code of conduct that, at a minimum, reflects the constraints discussed in WDS Directive No. 14-05. The code shall be submitted to the City for approval prior to execution of this Agreement.
- 2. Prior to obtaining the City's approval of any subcontract, Contractor shall disclose to the City any relationship, financial or otherwise, direct or indirect, of Contractor or any of its officers, directors or

employees or their immediate family with the proposed subcontractor and its officers, directors or employees.

3. Contractor covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administering any subcontract supported (in whole or in part) by City funds (regardless of source) where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:
 - a. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
 - b. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
 - c. The participation of such person would be prohibited by the California Political Reform Act (California Government Code §87100 *et seq.*) if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.
4. Definitions:
 - a. The term "immediate family" includes, but is not limited to, domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law.
 - b. The term "financial or other interest" includes, but is not limited to:
 - (1) Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.
 - (2) Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
 - c. A "subcontract" is any agreement entered into by a Contractor for the purchase of goods or services with any funds provided by this Agreement.
5. Minutes of Board Meetings must reflect disclosure of transactions where Board Members may have had a direct or indirect interest/benefit in the action.
6. No director, officer, employee (or agent) of Contractor may be on the Board of Directors if they receive any financial benefit provided by any City agreement.
7. Contractor further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
8. Contractor shall not subcontract with a former director, officer, or employee within an one-year period following the termination of the relationship between said person and Contractor.
9. For further clarification of the meaning of any of the terms used herein, the parties agree that references shall be made to the guidelines, rules, and laws of the City, State, and federal regulations regarding conflict of interest.
10. Contractor warrants that it has not paid or given and will not pay or give to any third person, any money or other consideration for obtaining this Agreement.
11. Contractor covenants that no director, officer or employee of Contractor shall have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, director or officer or for one year thereafter.
12. Contractor shall incorporate the foregoing subsections of this section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "Contractor" and "sub-subcontractor" for "Subcontractor".

13. Contractor warrants that it has adopted and shall comply with the Code of Conduct, as approved by the City that meets the foregoing requirements.

§405 COMPLIANCE WITH STATE AND FEDERAL STATUTES AND REGULATIONS

- A. Contractor understands that failure to comply with any of the following assurances may result in suspension, termination or reduction of grant funds, and repayment by Contractor to City of any unlawful expenditures.

1. Statutes and Regulations Applicable To All General Fund Contracts

- a. Contractor shall comply with all applicable requirements of State, federal, County and City of Los Angeles laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this Agreement. Contractor shall comply with state and federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment.
- b. Contractor shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

- (1) Americans with Disabilities Act

- (a) Contractor hereby certifies that it will comply with the Americans with Disabilities Act (ADA) 42, USC § 12101 *et seq.*, and its implementing regulations and the Americans with Disabilities Act Amendments Act of 2008 (ADAAA), Pub. L. 110-325 and all subsequent amendments, Section 504 of the Rehabilitation Act of 1973 (Rehab. Act), as amended, 29 USC 794 and 24 CFR, Parts 8 and 9, the Uniform Federal Accessibility Standards (UFAS), 24 CFR, Part 40, and the Fair Housing Act, 42 USC 3601, *et. seq.*; 24 CFR Parts 100, 103 and 104 (FHA) and all implementing regulations. Contractor will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the ADA, the ADAAA, the Rehab Act, the UFAS and the FHA and all subsequent amendments. Contractor will not discriminate against persons with disabilities or against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by Contractor, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

- (2) Political and Sectarian Activity Prohibited

- (a) None of the funds, materials, property or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither shall any funds provided under this agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement shall be used for any sectarian purpose or to support or benefit any sectarian activity.
- (b) Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any disclosure form previously filed by Contractor. Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers and that all subcontractors shall certify and disclose accordingly.

- (3) Records Inspection

- (a) At any time during normal business hours and as often as the City may deem necessary, Contractor shall make available for examination all of its records with respect to all matters covered by this Agreement. The City shall have the authority to audit, examine and make excerpts or transcripts from records, including all Contractor's invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.
- (b) Contractor agrees to provide any reports requested by the City regarding performance of the Agreement.

- (4) Records Maintenance

- (a) Records, in their original form, shall be maintained in accordance with requirements prescribed by the City with respect to all matters covered on file for all documents specified in this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Such records shall be retained for a period of five (5) years after termination of this Agreement and after final disposition of all pending matters. "Pending matters" include, but are not limited to, an audit, litigation or other actions involving records. The City may, at its discretion, take possession of, retain and audit said records. Records, in their original form pertaining to matters covered by this Agreement, shall at all times be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the City.
- (5) Subcontracts and Procurement
 - (a) Contractor shall comply with the federal and City standards in the award of any subcontracts. For purposes of this Agreement, subcontracts shall include, but not be limited to, purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts.
 - (b) Contractor shall ensure that the terms of this Agreement with the City are incorporated into all subcontractor agreements. Contractor shall submit all subcontractor agreements to the City for review prior to the release of any funds to the subcontractor. Contractor shall withhold funds to any subcontractor agency that fails to comply with the terms and conditions of this Agreement and their respective subcontractor agreement
- (6) California Child Abuse and Neglect Reporting Act
 - (a) The California Child Abuse and Neglect Reporting Act, CA Penal Code §1164 *et seq.*, and specifically §§11165.7, 11165.9 and 11166.

§406 FEDERAL, STATE AND LOCAL TAXES

- A. Federal, State and local taxes shall be the responsibility of Contractor as an independent contractor and not as a City employee.

§407 SECURITY CLEARANCE AND TUBERCULOSIS TEST OF STAFF AND VOLUNTEERS

- A. Contractor hereby certifies that by signing this Agreement, Contractor and subcontractor staff working with youth, either as employees or volunteers, who have a supervisory or disciplinary authority over minors must be fingerprinted and pass the background check, as required by California Penal Code §11105.3 and California Education Code §45125.1 and §10911.5. Fingerprinting and a background check may be required of other staff and volunteers depending upon how much contact the staff member will have with minors. Contractor shall be responsible for obtaining security clearances for staff whose duties require a sufficient level of interaction with youth.
- B. Contractor hereby certifies that by signing this Agreement, Contractor shall have tuberculosis (TB) tests completed on any staff member working with youth.
- C. Contractor shall maintain proof of Security Clearance and TB tests of all staff, including those of the subcontractors, and make these records available for future inspection.

§408 INVENTIONS, PATENTS AND COPYRIGHTS

Contractor shall comply with the requirements regarding Inventions, Patents and Copyrights, which is attached hereto as Exhibit H and incorporated herein by reference.

§409 CONFIDENTIALITY OF DOCUMENTS

- A. The City and Contractor agree that:
 - 1. Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.
 - 2. Each party shall provide written instructions to all of its employees with access to information provided by the other party of the confidential nature of the information and of the penalties for unauthorized use or disclosure found in §1798.55 of the Civil Code, §502 of the Penal Code, §2111 of the Unemployment Insurance Code, §10850 of the Welfare and Institutions Code and other applicable local, State and federal laws.

3. Each party shall (where appropriate) store and process information in an electronic format, in such a way that unauthorized persons cannot reasonably retrieve the information by computer, remote terminal, or other means.
4. Each party shall promptly return to the other party confidential information when its use ends or destroy the confidential information utilizing an approved method of destroying confidential information by shredding, burning, or certified or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.
5. If the City or Contractor enters into an agreement with a third party to provide services, the City or Contractor agrees to include these data and security and confidentiality requirements in the agreement with that third party. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.
6. Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and, each party shall notify the other of any changes in that designation. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.

§410 CRIMINAL CLEARANCES

- A. Contractor shall immediately notify City of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any employee, independent contractor, volunteer staff or Subcontractor who may come in contact with children while providing services under this Contract when such information becomes known to Contractor.
- B. Contractor agrees not to engage or continue to engage the services of any person convicted of any crime involving harm to children, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to the offenses specified in Health and Safety Code, Section 11590 (offenses requiring registration as a controlled substance offender) and those crimes listed in the Penal Code which involve murder, rape, kidnap, abduction, assault and lewd and lascivious acts.
- C. At any time prior to or during term of this Agreement, the City may require that all Contractor's staff performing work under this Agreement undergo and pass, to the satisfaction of City, a background investigation, as a condition of beginning and continuing to work under this Agreement. City shall use its discretion in determining the method of background clearance to be used, up to and including a City performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of Contractor, regardless if Contractor's staff passes or fails the background clearance investigation.

5. REMEDIES

§501 DEFAULTS

- A. Should Contractor fail for any reason to comply with the contractual obligations of this Agreement, including, but not limited to, meet the Performance Standards, start up the program on time, provide services according to plan and/or to benefit customers and the provisions of the Agreement, maintain expenditures at an approved rate in the Budget, resolve performance problems in a timely manner, demonstrate the capabilities to solve identified problems within a specific time, provide necessary fiscal or Management Information Services documents to City in a timely manner, maintain agreed cost per placement or utilize grant funds in accordance with the terms and conditions of the Agreement, the City reserves the right to take any or all of the following actions at its discretion:
 1. Notify Contractor of performance deficiencies in accordance with §504 of this Agreement.
 2. Withhold the release of funds.
 3. Require that no funds be advanced to Contractor until Contractor has provided for the security of funds advanced by a surety/performance bond. The amount and form of the security, if required, shall be determined by the City as noted on the Insurance Requirement Form and is subject to prior City approval.
 4. Modify and/or renegotiate the funding/service level and/or make any changes in the general scope of this Agreement.

5. Require Contractor to secure at its own expense the services of independent experts.
6. Require specific performance progress reports for identified time periods.
7. Reduce compensation within the scope of the City's reallocation policy.
8. Suspend operations in accordance with §503 below of this Agreement.
9. Terminate the Agreement.

§502 NOTICE TO CORRECT PERFORMANCE

- A. The City may notify Contractor of its failure to comply with the terms and conditions of this Agreement by giving written notice, effective upon date of such notice, which states the specific performance deficiencies to be corrected.
- B. Within ten (10) business days, Contractor shall reply in writing setting forth the corrective actions that will be undertaken to remedy the performance deficiencies, which actions are subject to City approval in writing.
- C. Contractor shall thereafter submit monthly progress reports to the City in accordance with the City approved corrective action plan specifying the actions taken and resolution of the performance deficiencies.

§503 SUSPENSION OF THE AGREEMENT

- A. The City may, by giving written notice, suspend all or part of the project operations for Contractor's failure to comply with the terms and conditions of this Agreement; and may, if applicable, notify the bank identified on the City form referenced in §104A.3 above that all funds are frozen pending further notice from the City. This Notice of Suspension shall be effective upon the date of the City's written notice.
 1. This notice shall set forth the specific conditions of non-compliance and the period provided for corrective action.
 2. Within ten (10) business days from the date of written City notification, Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.

§504 TERMINATION OF AGREEMENT

- A. At any time during the Term the City may terminate this Agreement, or any part of the Agreement, upon giving Contractor at least thirty (30) days written notice prior to the effective date of the termination, which date shall be specified in the notice. The City is not required to use other remedies provided herein prior to issuing a 30 day notice to terminate the Agreement, or portion thereof. Upon the receipt of such notice, Contractor shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities or as otherwise approved by the City.
- B. Contractor shall retain and dispose of all customers' documents and related records required by Contractor under this Agreement, in accordance with City Directives or written instructions. All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights thereto, shall become City property upon the date of such termination. Contractor agrees to execute any documents necessary for the City to perfect, memorialize or record the City's ownership of rights provided herein.
- C. Contractor shall return to the City all equipment that was purchased with City grant funds pursuant to this Agreement.
- D. In the event Contractor dissolves or otherwise goes out of existence, copies of all records relating to the project or activity that are the subject of this Agreement shall be furnished to the City.
- E. Upon satisfactory completion and documentation of termination activities, the City shall determine the total amount of funds earned by Contractor.
- F. The City may withhold any payments due to Contractor after notice of termination has been issued for the purpose of set-aside until the exact amount of damages or unearned dollars due to the City from Contractor is determined.
- G. Subsections B, C, D, E, and F above shall also apply to Agreements terminating upon the date specified in §201 of the foregoing Agreement or upon completion of performance of this Agreement.
- H. This Agreement may be terminated immediately for any violation of City Lobbying Ordinances.

- I. In the event the City terminates this Agreement as provided in this section, the City may procure, upon such terms and in such manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and Contractor shall be liable to the City for all of its costs and damages, including, but not limited to, any excess costs for such services.
- J. If, after notice of termination of this Agreement, under the provisions of this section, it is determined for any reason that Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had not been issued pursuant to this section.

§505 NOTICES OF SUSPENSION OR TERMINATION

- A. In the event that this Agreement is suspended or terminated, Contractor shall immediately notify all employees and participants and shall notify in writing all other parties contracted with under the terms of Agreement within five (5) business days from the City's written notice.

6. MISCELLANEOUS

§601 SURVIVAL OF TERMS AND CONDITIONS

- A. All terms and conditions of this Agreement which impose a duty, obligation or requirement on Contractor that extend beyond the Term hereof shall survive the termination of this Agreement. Such terms and conditions shall include, but not be limited to, §§ 301.A.2.a.(3) and 404.A.1.b.(4).

§602 ORDER OF PRECEDENCE

- A. In the event of any inconsistency between the documents regarding this Agreement, said inconsistency shall be resolved by giving precedence to (i) the body of the Agreement, (ii) the terms of applicable City ordinances and regulations, (iii) exhibits and attachments hereto, and (iv) any documents provided by Contractor.

§603 RATIFICATION CLAUSE

- A. Due to the need for Contractor's services to be provided upon commencement of the Term, continuously on an ongoing basis, Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified and accepted.

§604 NUMBER OF PAGES AND ATTACHMENTS

- A. This Agreement is executed in two (2) duplicate originals, each of which is deemed to be an original. This Agreement includes fourteen (14) pages, eight (8) Exhibits, and Nine (9) Attachments which constitute the entire understanding and agreement of the parties.

7. SIGNATURE PAGE

IN WITNESS WHEREOF, the City of Los Angeles and Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

MICHAEL N. FEUER, City Attorney

By: [Signature]
Deputy/Assistant City Attorney

Date: 8/7/2015

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By: [Signature]

Date: 8-7-15

(Contractor's Corporate Seal)



Executed this 5th day of August, 2015

For: THE CITY OF LOS ANGELES

JAN PERRY
General Manager
Economic and Workforce Development Department

By: [Signature]

Executed this 31st day of July, 2015

For: WATTS LABOR COMMUNITY ACTION
COMMITTEE

By: [Signature]
TIMOTHY WATKINS
President/CEO

City Business License Number: 0000297418-0001-1

Internal Revenue Service ID Number: 95-2412869

Council File Number: 15-0704; Date of Approval: June 30, 2015

Said Agreement is Number: C-126032 of City Contracts
(T5832)

EXHIBIT A
STANDARD CITY PROVISIONS FOR CITY CONTRACTS
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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC – 1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, or headings in this contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this contract shall be construed according to its fair meaning and not strictly for or against the City or Contractor. The word "Contractor" herein in this contract includes the party or parties identified in the contract. The singular shall include the plural; if there is more than one Contractor herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC – 2. NUMBER OF ORIGINALS

The number of original texts of this contract shall be equal to the number of the parties hereto, one text being retained by each party. At the City's option, one or more additional original texts of this Contract may also be retained by the City.

PSC – 3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City including, but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. Contractor shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this contract.

In any action arising out of this contract, Contractor consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this contract the validity of the remaining parts, terms or provisions of the contract shall not be affected thereby.

PSC – 4. TIME OF EFFECTIVENESS

Unless otherwise provided, this contract shall take effect when all of the following events have occurred:

- A. This contract has been signed on behalf of Contractor by the person or persons authorized to bind Contractor hereto;
- B. This contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this contract as to form; and
- D. This contract has been signed on behalf of the City by the person designated by the City Council, or by the board, officer or employee authorized to enter into this contract and has been attested to by the City Clerk.

PSC – 5. INTEGRATED CONTRACT

This contract contains the full and complete agreement between the parties, sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous agreements or understandings, whether written or oral, relating thereto. No verbal agreement nor conversation with any representative of either party shall affect or modify any of the terms and conditions of the contract.

PSC – 6. AMENDMENT

Any change to the terms of the contract, including changes in the scope of work to be performed and any increase or decrease in the amount of compensation, which are agreed to by the parties shall be incorporated into the contract by a written amendment properly executed by the authorized representatives of the parties and effective pursuant to the

provisions of PSC-4. No verbal agreement with any officer or employee shall affect or modify any of the terms or conditions of the contract.

PSC – 7. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

PSC – 8. BREACH

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

PSC – 9. WAIVER

A waiver of a default of any part, term or provision of this contract must be in writing and shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC – 10. TERMINATION

A. TERMINATION FOR CONVENIENCE

The City may terminate this contract for the City's convenience at any time by giving Contractor thirty days written notice thereof. Upon receipt of said notice, Contractor shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The City shall pay Contractor its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by Contractor to affect such termination. Thereafter, Contractor shall have no further claims against the City under this contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become City property upon the date of such termination. Contractor agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein.

B. TERMINATION FOR BREACH OF CONTRACT

1. Except for excusable delays as provided in PSC-7, if Contractor fails to perform any of the provisions of this contract or so fails to make progress as to endanger timely performance of this contract, the City may give Contractor written notice of such default. If Contractor does not cure such default or provide a plan to cure such default which is acceptable to the City within the time permitted by the City, then the City may terminate this contract due to Contractor's breach of this contract
2. If a federal or state proceeding for relief of debtors is undertaken by or against Contractor, or if Contractor makes an assignment for the benefit of creditors, then the City may immediately terminate this contract.
3. If Contractor engages in any dishonest conduct related to the performance or administration of this contract or violates the City's lobbying policies, then the City may immediately terminate this contract.

4. In the event the City terminates this contract as provided in this section, the City may procure, upon such terms and in such manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and Contractor shall be liable to the City for all of its costs and damages, including, but not limited to, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this contract, including all intellectual property rights thereto, shall become City property upon date of such termination. Contractor agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein.
6. If, after notice of termination of this contract under the provisions of this section, it is determined for any reason that Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this contract, the rights and obligations of the parties shall be the same as if the notice of termination had not been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

PSC – 11. INDEPENDENT CONTRACTOR

Contractor is acting hereunder as an independent contractor and not as an agent or employee of the City. No employee of Contractor has been, is, or shall be an employee of the City by virtue of the contract, and Contractor shall so inform each employee organization and each employee who is hired or retained under the contract. Contractor shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

PSC – 12. CONTRACTOR'S PERSONNEL

Unless otherwise provided or approved by the City, Contractor shall use its own employees to perform the services described in this contract. The City shall have the right to review and approve any personnel who are assigned to work under this contract. Contractor agrees to remove personnel from performing work under this contract if requested to do so by the City.

Contractor shall not use subcontractors to assist in performance of this contract without the prior written approval of the City. If the City permits the use of subcontractors, Contractor shall remain responsible for performing all aspects of this contract. The City has the right to approve Contractor's subcontractors, and the City reserves the right to request replacement of subcontractors. The City does not have any obligation to pay Contractor's subcontractors, and nothing herein creates any privity between the City and the subcontractors.

PSC – 13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

Contractor shall not, unless it has first obtained the prior written consent of the City (a) Assign or otherwise alienate any of its rights under this contract, including the right to payment; or (b) Delegate, subcontract, or otherwise transfer any of its duties under this contract.

PSC – 14. PERMITS

Contractor and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for Contractor's performance hereunder and shall pay any fees required therefore. Contractor certifies to immediately notify the City of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

PSC – 15. CLAIMS FOR LABOR AND MATERIALS

Contractor shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this contract so as to prevent any lien or other claim under any provision of law from arising against any City property (including reports, documents, and other tangible or intangible matter produced by Contractor hereunder), against

Contractor's rights to payments hereunder, or against the City, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

PSC – 16. LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE

If applicable, Contractor represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this contract, Contractor shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

PSC – 17. RETENTION OF RECORDS, AUDIT AND REPORTS

Contractor shall maintain all records, including records of financial transactions, pertaining to the performance of this contract, in their original form, in accordance with requirements prescribed by the City. These records shall be retained for a period of no less than five years following final payment made by the City hereunder or the expiration date of this contract, whichever occurs last. Said records shall be subject to examination and audit by authorized City personnel or by the City's representative at any time during the term of this contract or within the five years following final payment made by the City hereunder or the expiration date of this contract, whichever occurs last. Contractor shall provide any reports requested by the City regarding performance of this contract. Any subcontract entered into by Contractor, to the extent allowed hereunder, shall include a like provision for work to be performed under this contract.

PSC – 18. FALSE CLAIMS ACT

Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment to the City under the False Claims Act (Cal. Gov. Code §§12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

PSC – 19. BONDS

All bonds which may be required for performance of services shall conform to City requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

PSC – 20. INDEMNIFICATION

Except for the active negligence or willful misconduct of the City, or any of its boards, officers, agents, employees, assigns and successors in interest, Contractor undertakes and agrees to defend (with counsel subject to approval by City), indemnify and hold harmless the City and its boards, officers, agents, employees, assigns, and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Contractor's employees and agents, or damage or destruction of any property of either party hereto or of third parties, and/or for any other damages or losses of any kind or nature arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by Contractor or its subcontractors of any tier. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the City. The provisions of PSC-20 shall survive expiration or termination of this Contract.

PSC – 21. INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor, at its own expense, undertakes and agrees to defend (with counsel subject to City approval), indemnify, and hold harmless the City, and its boards, officers, agents, employees, assigns and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, cost of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by Contractor, or its subcontractors of any tier, in performing the work under this contract; or (2) as a result of the City's actual or intended

use of any work product furnished by Contractor, or its subcontractors of any tier, under the Agreement. Work Products are all works, tangible or not, created under this contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual records, and sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this contract and those allowed under the laws of the United States, the State of California, and the City. The provisions of PSC-21 shall survive expiration or termination of this contract.

PSC – 22. INTELLECTUAL PROPERTY WARRANTY

Contractor represents and warrants that its performance of all obligations under this contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, right of publicity and proprietary information.

PSC – 23. OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by Contractor or its subcontractors of any tier under this contract shall be and remain the exclusive property of the City for its use in any manner it deems appropriate. Contractor hereby assigns, and agrees to assign, all goodwill, copyright, trademarks, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by Contractor under this contract. Contractor further agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein. For all Work Products delivered to the City that are not originated or prepared by Contractor or its subcontractors of any tier under this contract, Contractor hereby grants a non-exclusive perpetual license to use such Work Products for any City purposes.

Contractor shall not provide or disclose any Work Product to any third party without prior written consent of the City.

Any subcontract entered into by Contractor relating to this contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this contract to contractually bind or otherwise oblige its subcontractors performing work under this contract such that the City's ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of Contractor to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject Contractor to the imposition of any and all sanctions allowed by law including, but not limited to termination of the contract.

PSC – 24. INSURANCE

During the term of this contract and without limiting Contractor's indemnification of the City, Contractor shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by Contractor, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146), covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, and the Instructions and Information on Complying with City Insurance Requirements and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management.

PSC – 25. DISCOUNT TERMS

Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this contract which meet the discount terms.

PSC – 26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

Contractor warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within Contractor's profession, doing the same or similar work under the same or similar circumstances.

PSC – 27. NON-DISCRIMINATION

Unless otherwise exempt, this contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code as amended from time to time. The Contractor shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this contract, Contractor shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital state or medical condition. Any subcontract entered into by Contractor to the extent allowed hereunder, shall include a like provision for work to be performed under this contract.

Failure of Contractor to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject Contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of Contractor's contract with the City.

PSC – 28. EQUAL EMPLOYMENT PRACTICES

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this contract, Contractor agrees and represents that it will provide equal employment practices and Contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. Contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, Contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.
- D. Contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment practices provisions of City contracts. Contractor shall, upon request, provide evidence that it has or will comply therewith.
- E. The failure of any Contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice, and an opportunity to be heard has been given to Contractor.
- F. Upon a finding duly made that Contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded

to and retained by the City. In addition such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the Contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, Contractor shall be disqualified from being awarded a contract with the City for a period of two years, or until Contractor shall establish and carry out a program in conformance with the provisions hereof.

- G. Notwithstanding any other provision of this contract, the City shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, Contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by Contractor, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of Contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject Contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Contractor's Contract with the City.

PSC – 29. AFFIRMATIVE ACTION PROGRAM

Unless otherwise exempt, this contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code as amended from time to time.

- A. During the performance of a City contract, Contractor certifies and represents that Contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. Contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to their race,

religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract compliance, Contractor shall certify on an electronic or hard copy form to be supplied, that Contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. Contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts. Contractor shall, upon request, provide evidence that it has or will comply therewith.
- E. The failure of any Contractor to comply with the Affirmative Action Program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to Contractor.
- F. Upon a finding duly made that Contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City. In addition such breach may be the basis for a determination by the awarding authority or the Board of Public Works that said Contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such Contractor shall be disqualified from being awarded a contract with the City for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that Contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to Contractor by the City under the contract, a penalty of ten dollars(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.
- H. Notwithstanding any other provisions of a City contract, the City shall have any and all remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. Contractor shall submit an Affirmative Action Plan which shall meet the requirements of the Los Angeles Administrative Code at the time it submits its bid or proposal or at the time it registers to do business with the City. The Plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a Plan, Contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, Contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.

1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 2. Contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and Contractor.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation;
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimizes the impact of any disability.
- N. Any adjustments which may be made in the Contractor's or supplier's work force to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its contract compliance Affirmative Action Program.
- P. Intentionally blank.
- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the Contract and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Contract.

PSC – 30. CHILD SUPPORT ASSIGNMENT ORDERS

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, Contractor will fully comply with all applicable State and Federal employment reporting requirements for Contractor's employees. Contractor shall also certify (1) that Contractor will fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) that the Principal Owner(s) of Contractor are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) that Contractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.*, of the California Family Code; and (4) that Contractor will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of Contractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of Contractor to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the Contractor under this Contract, subjecting this contract to termination if such default shall continue for more than ninety (90) days after notice of such default to Contractor by the City.

Any subcontract entered into by Contractor, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of Contractor to obtain compliance of its subcontractors shall constitute a default by Contractor under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to Contractor by the City.

Contractor certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

PSC – 31. LIVING WAGE ORDINANCE

- A. Unless otherwise exempt, the Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time. This Ordinance requires the following:
1. Contractor assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. Contractor further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. Contractor shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. Contractor shall deliver the executed pledges from each such subcontractor to the City within ninety (90) days of the execution of the subcontract. Contractor's delivery of executed pledges from each such subcontractor shall fully discharge the obligation of Contractor with respect to such pledges and fully discharge the obligation of Contractor to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. Contractor, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. Contractor shall post the Notice of Prohibition Against Retaliation provided by the City.

4. Any subcontract entered into by Contractor relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO.
 5. Contractor shall comply with all rules, regulations and policies promulgated by the City's Designated Administrative Agency which may be amended from time to time.
 6. Contractor shall post a copy of the Notice to Employees Working on City Contracts Re: Living Wage Ordinance and Prohibition Against Retaliation, which is attached to the contract hereto as Exhibit C, in a prominent place in an area frequented by employees.
- B. Under the provisions of Section 10.37.6(c) of the Los Angeles Administrative Code, the City shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the City determines that the subject Contractor has violated the LWO provision.
- C. Where under the LWO Section 10.37.6(d), the City's Designated Administrative Agency has determined (a) that Contractor is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the City in such circumstances may impound monies otherwise due Contractor in accordance with the following procedures. Impoundment shall mean that from monies due Contractor, City may deduct the amount determined to be due and owing by Contractor to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether Contractor is to continue work following an impoundment shall remain in the sole discretion of the City. Contractor may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. Contractor shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). Contractor shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from Contractor.

PSC – 32. SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time.

PSC – 33. AMERICANS WITH DISABILITIES ACT

Contractor hereby certifies that it will comply with the Americans with Disabilities Act, 42 USC §12101 *et seq.*, and its implementing regulations (ADA), the Americans with Disabilities Act Amendments Act of 2008 (ADAAA), Pub. L. 110-325 and all subsequent amendments, Section 504 of the Rehabilitation Act of 1973 (Rehab. Act), as amended, 29 USC 794 and 24 CFR Parts 8 and 9, the Uniform Federal Accessibility Standards (UFAS), 24 CFR, Part 40, and the Fair Housing Act, 42 U.S.C. 3601, *et seq.*; 24 CFR Parts 100, 103, and 104 (FHA) and all implementing regulations. The Contractor will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the ADA, the ADAAA, the Rehab Act, the UFAS and the FHA and all subsequent amendments. Contractor will not discriminate against persons with disabilities or against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by the Contractor, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

PSC – 34. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt, this contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires Contractor to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect Contractor's fitness and ability to continue performing this contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this contract, Contractor pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. Contractor further agrees to: (1) notify the City within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that Contractor is not in compliance with all applicable federal, state and local laws in performance of this contract; (2) notify the City within thirty calendar days of all findings by a government agency or court of competent jurisdiction that Contractor has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the City; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the City within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

PSC – 35. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM

Contractor agrees and obligates itself to utilize the services of Minority, Women and Other business Enterprise firms on a level so designated in its proposal, if any. Contractor certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. Contractor shall not change any of these designated subcontractors, nor shall Contractor reduce their level of effort, without prior written approval of the City, provided that such approval shall not be unreasonably withheld.

PSC – 36. EQUAL BENEFITS ORDINANCE

Unless otherwise exempt, this contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative code as amended from time to time.

- A. During the performance of the contract, Contractor certifies and represents that Contractor will comply with the EBO.
- B. The failure of Contractor to comply with the EBO will be deemed to be a material breach of this contract by the City.
- C. If Contractor fails to comply with the EBO the City may cancel, terminate or suspend this contract, in whole or in part, and all monies due or to become due under this contract may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the City's Designated Administrative Agency determines that a Contractor has set up or used its contracting entity for the purpose of evading the intent of the EBO, the City may terminate the contract. Violation of this provision may be used as evidence against Contractor in actions taken pursuant to the provisions of Los Angeles Administrative code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

Contractor shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at 213-847-1922."

PSC – 37. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt, this contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code as amended from time to time. Contractor certifies that it has complied with the applicable provisions of the Slavery Disclosure ordinance. Failure to fully and accurately complete the affidavit may result in termination of this contract.

PSC – 38. FIRST SOURCE HIRING ORDINANCE

Unless otherwise exempt, this contract is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 *et seq.* of the Los Angeles Administrative Code as amended from time to time.

- A. Contractor shall, prior to the execution of the contract, provide to the Designated Administrative Agency (DAA) a list of anticipated employment opportunities that Contractor estimates it will need to fill in order to perform the services under the contract.
- B. Contractor further pledges that it will, during the term of the contract: (1) at least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Economic and Workforce Development Department (EWDD), which will refer individuals for interview; (2) interview qualified individuals referred by EWDD; and (3) prior to filing any employment opportunity, the Contractor shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the Contractor interviewed and the reasons why referred individuals were not hired.
- C. Any subcontract entered into by the Contractor relating to this contract, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.
- D. Contractor shall comply with all rules, regulations and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the Los Angeles Administrative Code the DAA has determined that the Contractor intentionally violated or used hiring practices for the purpose of avoiding the FSHO, that determination will be documented in the Awarding Authority's Contractor Evaluation, required under Los Angeles Administrative Code Section 10.39 *et seq.*, and must be documented in each of the Contractor's subsequent Contractor Responsibility Questionnaires submitted under the Los Angeles Administrative Code Section 10.40 *et seq.* This measure does not limit the City's authority to act under the FSHO.

Under the provisions of Section 10.44.8 of the Los Angeles Administrative Code, the Awarding Authority shall, under appropriate circumstances, terminate this contract and otherwise pursue legal remedies that may be available if the DAA determines that the Contractor has violated provisions of the FSHO.

PSC – 39. COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470(c)(12)

The Contractor, Subcontractors, and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the contract is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Contractor is required to provide and update certain information to the City as specified by law. Any Contractor subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this contract:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Section 470(c)(12) and related ordinances, you are a subcontractor on City of Los Angeles Contract #_____. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Subcontractor is required to provide to contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to Contractor within ten (10) business days. Failure to comply may result in termination of contract or any other available legal remedies including fines. Information about

the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213/978-1960.

Contractor, Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.

PSC – 40. IRAN CONTRACTING ACT OF 2010

In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the City of Los Angeles for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

EXHIBIT B
INSURANCE

Form Gen 146 (Rev. 9/06)

Required Insurance and Minimum Limits

Name: Watts Labor Community Action Committee. Date: _____

Agreement/Reference: (T5832) Los Angeles County Youth Jobs Program

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount. Limits

☒ **Workers' Compensation** – Workers' Compensation (WC) and Employer's Liability (EL) WC Statutory
EL \$1,000,000

☐ Waiver of Subrogation in favor of City ☐ Longshore & Harbor Workers Jones Act

☒ **General Liability** \$ 1,000,000

☒ **Products/Completed Operations** ☒ **Sexual Misconduct** \$ 1,000,000

☐ Fire Legal Liability ☐ _____

☒ **Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work) \$ 1,000,000

☐ **Professional Liability** (Errors and Omissions) \$ _____

Discovery Period 12 Months After Completion of Work or Date of Termination.

☐ **Property Insurance** (to cover replacement cost of building - as determined by insurance company) \$ _____

☐ All Risk Coverage ☐ Boiler and Machinery

☐ Flood ☐ Builder's Risk

☐ Earthquake ☐ _____

☐ **Pollution Liability** \$ _____

☐ _____

☐ **Surety Bonds** – Performance and Payment (Labor and Materials) Bonds 100% of the contract price

☐ **Crime Insurance** \$ _____

Other: General Notes:

1) If a contractor has no employees and decides to not cover herself/himself for workers' compensation, please complete the form entitled "Request for Waiver of Workers' Compensation Insurance Requirement" located at: <http://cao.lacity.org/risk/InsuranceForms.htm>

2) In the absence of imposed Auto Liability insurance requirements, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California

EXHIBIT B
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

(Share this information with your insurance agent or broker.)

PERSON TO CONTACT Direct all correspondence, questions, requests for additional forms, etc., to the contact person listed here or to the department that administers your contract, lease or permit:

NAME	LaFaye Jones
CITY AGENCY	Economic & Workforce Dev. Dept. Financial Management Div.
ADDRESS	1200 W. 7 th Street, 6 th Floor Los Angeles, CA 90017
TEL (213) 744-7321	FAX (213) 744-7362

GENERAL INFORMATION

1. **Agreement/Reference** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. **When to submit** Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. **Acceptable Evidence and Approval** Electronic submission is the preferred method of submitting your documents. **Track4LA™** is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format. Track4LA™ advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA™** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 may be accepted. **All** Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter.

Acceptable Alternatives to Acord Certificates and other Insurance Certificates:

- A **copy of the full insurance policy** which contains a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) and additional insured and/or loss-payee status, when appropriate, for the CITY.
- **Binders and Cover Notes** are also acceptable as interim evidence for up to 90 days from date of approval.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

EXHIBIT B - Cont.
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

Completed **Insurance Industry Certificates other than ACORD 25 Certificates** can be sent electronically (CAO.insurance.bonds@lacity.org) or faxed to the Office of the City Administrative Officer, Risk Management (213) 978-7616. Please note that submissions other than through Track4LATM will delay the insurance approval process as documents will have to be manually processed.

Verification of approved insurance and bonds may be obtained by checking **Track4LA™**, the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate through **Track4LA™** at <http://track4la.lacity.org> or submit an Insurance Industry Certificate or a renewal endorsement as outlined in Section 3 above. If your policy number changes you must also submit a new Additional Insured Endorsement with an Insurance Industry Certificate.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. (Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions** coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). **A Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.

EXHIBIT C
CERTIFICATION REGARDING
NOTICE OF PROHIBITION AGAINST RETALIATION

This certification is required by the regulations implementing Living Wage Ordinance. Contractor shall post a copy of the Notice to Employees Working on City Contracts Re: Living Wage Ordinance and Prohibition Against Retaliation, which is as below, in a prominent place in an area frequented by employees.

An employer subject to the Living Wage Ordinance shall post in a prominent place in an area frequented by employees a copy of the below notice to employees regarding the LWO prohibition against retaliation (also available in English at [http://bca.lacity.org/site/pdf/lwo/Notice To Employees Of Retaliation \(English\).pdf](http://bca.lacity.org/site/pdf/lwo/Notice%20To%20Employees%20Of%20Retaliation%20(English).pdf) and in Spanish at [http://bca.lacity.org/site/pdf/lwo/Notice To Employees Of Retaliation \(Spanish\).pdf](http://bca.lacity.org/site/pdf/lwo/Notice%20To%20Employees%20Of%20Retaliation%20(Spanish).pdf). The retaliation notice must be posted by an employer even if the employer has been exempted from the LWO.

**NOTICE TO EMPLOYEES
WORKING ON CITY CONTRACTS
RE: LIVING WAGE ORDINANCE AND
PROHIBITION AGAINST RETALIATION**

"Section 10.37.5 Retaliation Prohibited" of the Living Wage Ordinance (LWO) provides that any employer that has a contractual relationship with the City **may not** discharge, reduce the pay of, or discriminate against his or her employees working under the City contract for any of the following reasons:

1. Complaining to the City if your employer is not complying with the Ordinance.
2. Opposing any practice prohibited by the Ordinance.
3. Participating in proceedings related to the Ordinance, such as serving as a witness and testifying in a hearing.
4. Seeking to enforce your rights under this Ordinance by any lawful means.
5. Asserting your rights under the Ordinance.

Also, you may not be fired, lose pay or be discriminated against for asking your employer questions about the Living Wage Ordinance, or asking the City about whether your employer is doing what is required under the LWO. If you are fired, lose pay, or discriminated against, you have the right to file a complaint with the City's Equal Employment Opportunity Enforcement Section, as well as file a claim in court.

For more information, or to obtain a complaint form, please call the Equal Employment Opportunity Enforcement Section at (213) 847-2625.

**CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway Street, Suite 300
Los Angeles, CA 90015
Phone: (213) 847-2625 Fax: (213) 847-2777**

Rev. 08/08

AGREEMENT NUMBER: (T5832)

WATTS LABOR COMMUNITY ACTION COMMITTEE
CONTRACTOR/BORROWER/AGENCY

TIMOTHY WATKINS, President/CEO
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE



SIGNATURE

DATE

7/31/2015

EXHIBIT D
CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
LOWER TIER COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Orders 12549 and 12689, Debarment and Suspension, 2 CFR Part 200, Section 200.212 and 29 CFR Parts 97.35 and 98.510 (Participants' Responsibilities).

(READ ATTACHED INSTRUCTIONS FOR CERTIFICATION BEFORE COMPLETING)

1. The prospective recipient of federal assistance funds certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
2. Where the prospective recipient of federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

AGREEMENT NUMBER: (T5832)

WATTS LABOR COMMUNITY ACTION COMMITTEE
CONTRACTOR/BORROWER/AGENCY

TIMOTHY WATKINS, President/CEO
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE



SIGNATURE

7/31/2015

DATE

EXHIBIT D (cont.)
INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this document, the prospective recipient of federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of federal assistance funds shall provide immediate written notice to the person to whom this agreement is entered, if at any time the prospective recipient of federal assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Orders 12549 and 12689.
5. The prospective recipient of federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective recipient of federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Non-Procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

EXHIBIT E
CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans
and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.
2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying" in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

AGREEMENT NUMBER: (T5832)

WATTS LABOR COMMUNITY ACTION COMMITTEE
CONTRACTOR/BORROWER/AGENCY

TIMOTHY WATKINS, President/CEO
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE


SIGNATURE

7/31/2015
DATE

EXHIBIT F
MANAGEMENT REPRESENTATION

As a prerequisite to receipt of a City funded Contract, and as material facts upon which the City may rely in preparing the Contract, I, am authorized representative of the Contractor, make the following representations:

1. I am responsible for the fair presentation of the Contractor's financial records/reports in conformity with Generally Accepted Accounting Principles (GAAP) and have provided such records/reports accordingly to the City. I will make available to City all related data and information. I am not aware of any material transactions that have not been properly recorded and disclosed.
True ☒ False ☐
2. The Contractor has adopted sound accounting policies and procedures in accordance with GAAP that include procedures for maintaining internal controls, and preventing and detecting fraud and abuse.
True ☒ False ☐
3. I have advised and will continue to advise the City of any actions taken at meetings of Contractor's Board of Directors, and Committees of the Board of Directors which may have a material impact on Contractor's ability to perform the City's Contract.
True ☒ False ☐
4. Except as recorded or disclosed to you herein, I know of no instances of:
 - a. Conflict of interests (direct or indirect), nepotism, related (direct or indirect) party transactions including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
True ☒ False ☐
 - b. Guarantees, whether written or oral, under which the Contractor is contingently liable.
True ☒ False ☐
 - c. Actual, forthcoming or possible terminations of funding from regulatory agencies or other sources due to noncompliance, deficiencies, or for any other reason, that would affect the financial records and/or continuing viability of the Contractor as an on-going concern.
True ☒ False ☐
5. I have no knowledge that a board member/s is/are also an employee of this Contractor whose salary costs are reimbursed under this agreement.
True ☒ False ☐
6. I have no knowledge of and am not in receipt of any communication regarding allegations of fraud, suspected fraud or abuse affecting the Contractor involving management, employees who have significant roles in internal control, or others where fraud/abuse could have a material effect on the financial records or performance of the City Contract.
True ☒ False ☐
7. I have no knowledge of any allegations, written or oral, of misstatements or misapplication of funds in the Contractor's conduct of its financial affairs or in its financial records.
True ☒ False ☐
8. I am not aware of any pending litigation, bankruptcy, judgment, liens and other significant issues that may threaten the financial viability, legal and continuing existence of the Contractor.
True ☒ False ☐

9. The Contractor has satisfactory title to all assets being used in the City's program, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.
True ☒ False ☐
10. The Contractor has complied with all aspects of contractual agreements, related laws and regulations that could have a material effect on the financial records, the program/s, or on the organization as a whole.
True ☐ False ☒
11. I have properly reported and paid to the appropriate governmental agencies all payroll taxes due on employees' (City program related or otherwise) compensation.
True ☒ False ☐
12. I have responded fully to all the City's inquiries related to the Contractor's financial records and/or reports.
True ☒ False ☐
13. I understand that the City's auditing and monitoring procedures of Contractor are limited to those which the City determines best meet its informational needs and may not necessarily disclose all errors, irregularities, including fraud or defalcation, or illegal acts, that may exist.
True ☒ False ☐
14. I understand that the City audit and monitoring reports are intended solely for use by the Contractor and the other authorized parties, and are not intended for other purposes, unless otherwise required by law.
True ☒ False ☐
15. If one or more of the above statements is found to be false, I understand that the City may terminate this contract immediately. I also understand that I have a continuing duty to report to City any material factual change to any of these statements.
True ☒ False ☐

Use this space to provide any additional information:

I declare under penalty of perjury that I have read the foregoing statements and they are true and complete to the best of my knowledge.

AGREEMENT NUMBER: (T5832)

WATTS LABOR COMMUNITY ACTION COMMITTEE
CONTRACTOR/BORROWER/AGENCY

TIMOTHY WATKINS, President/CEO
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE


SIGNATURE

7/31/2015
DATE

EXHIBIT G
SCOPE OF WORK AND CONTRACTOR RESPONSIBILITY

1.0 SCOPE OF WORK

- 1.1 LACYJ Program will provide paid work experience and related training (hereinafter "Program Services" or "Services") to eligible youth who reside in City. The target population includes eligible youth from CalWORKs, in foster care, on probation, who are homeless, who receive general relief and are from low income households.
- 1.2 This Scope of Work (SOW) defines the minimum required tasks for the provision of Services to youth enrolled in the LACYJ program.
- 1.3 As further detailed below in Section 4, Specific Tasks, Contractor shall provide Program Services as follows:
 - 1.3.1 Contractor(s) shall provide Services pursuant to Section 4, Specific Tasks, to CalWORKs Youth and enroll disconnected youth, including CalWORKs Youth, foster, probation, homeless, General Relief and low-income households.
 - 1.3.2 Contractor(s) shall provide 100% of Youth with an average of **25** hours of paid Personal Enrichment Training (PET), Pursuant to Section 4.5, subject to the availability of funds, prior to placing youth at a worksite.
 - 1.3.3 Contractor(s) shall provide 100% of youth with an average of **100** hours of paid work experience beginning July 1, 2015, and for the duration of the Agreement, including any extension period, subject to the availability of funds, pursuant to Section 4.7.

2.0 ELIGIBLE YOUTH

- 2.1 To be eligible for Services outlined herein, youth must be a:
 - 2.1.1 A City resident; and
 - 2.1.2 Between the ages of 16-19; and
 - 2.1.2.1 Any youth 19 years old must be in the CalLearn program if enrolled under "CalWORKs" funding source.
 - 2.1.3 A citizen of the United States or an eligible non-citizen as determined by right-to-work requirements including the completion of the current Immigration and Naturalization Services (INS) Form I-9 (<http://www.uscis.gov/files/form/i-9.pdf>); and
 - 2.1.4 A resident of an area served by the Los Angeles County Local Workforce Development Area (LWDA); and
 - 2.1.5 Between the ages of 14 and 24 if enrolled under "Net County Cost (NCC)" funding source; or
 - 2.1.6 Between the ages of 14-21 if enrolled under "DPSS Foster" funding source.
- 2.2 Targeted Populations
 - 2.2.1 Contractor shall serve disconnected youth, consisting of CalWORKs Youth, foster, probation, homeless, General Relief, and low-income youth from July 1, 2015 through June 30, 2016, pursuant to Section 2.1. The Technical Assistance Guide (TAG) contains definitions and acceptable means of establishing and documenting eligibility.

3.0 SERVICE AREAS TO BE SERVED

- 3.1 Contractor shall serve youth in the following Planning Commission District area(s):

TABLE OF SERVICE AREAS

Planning Commission District						
Central	South	East	North Valley	South Valley	Harbor	West
	X					

- 3.2 Contractor shall request prior, written approval from City to serve youth that reside outside of the aforementioned service areas.

4.0 SPECIFIC TASKS

- 4.1 Contractor shall serve disconnected youth, consisting of CalWORKs Youth, foster, probation, homeless, General Relief and low-income youth from July 1, 2015 through June 30, 2016.

4.2 CALWORKS YOUTH

- 4.2.1 Contractor shall use the youth information database provided by County to identify eligible youth to conduct outreach and facilitate eligibility as described in Section 4.2.2.1 through Section 4.2.2.5, below.

- 4.2.2 Walk-Ins: If the youth self-identifies as CalWORKs, the following process shall be applied:

4.2.2.1 Contractor will first attempt to verify if the youth is in the eligible database.

4.2.2.2 Youth not found in the database identified in 4.2.2.1 are to be verified by designated DPSS staff to establish their eligibility pursuant to Section 4.2.2.4.

4.2.2.3 Contractor shall obtain as much case information as possible from the youth or parent/guardian to complete the "Confidential Verification" sheet (CVS) for LACYJ. A sample CVS will be provided by County upon contract execution.

Contractor shall only use the CVS. no substitutions are allowed. Information needed to complete the "Confidential Verification" Sheet shall include:

- a. Youth's name
- b. Last four digits of youth's Social Security Number
- c. DPSS Case Number and Name (usually in mother's name)
- d. Address
- e. Youth's Birth Date

4.2.2.4 The DPSS Customer Service Liaison will utilize the CVS form and determine whether the youth is CalWORKs eligible. The Customer Service Liaison will complete the bottom portion of the CVS and return it to the parent/guardian. The parent/guardian will be instructed to return the CVS back to Contractor. Contractor is to maintain the CVS and any attachments in the youth's case file.

4.2.2.4.1 The participating youth may return the completed CVS to the Contractor without their parent/guardian's presence.

4.2.2.5 Once CalWORKs eligibility is verified, the youth may enroll in LACYJ. If the youth is determined to be CalWORKs ineligible, Contractor shall determine if the youth meets the eligibility of the other targeted populations.

4.2.2.6 If the youth does not meet the eligibility criteria as indicated in Section 2.0, Contractor will refer the youth to other programs as appropriate.

4.3 NON-CALWORKS YOUTH

- 4.3.1 Contractor shall prioritize services to Disconnected Youth in the target populations: Foster, Probation, Homeless, General Relief and low-income Youth as self-identified on the Consent

Form. Contractor shall recruit and identify Youth in coordination with the appropriate County Departments to target Disconnected Youth, as defined in Section 2.2.

- 4.3.2 Contractor is allowed to utilize the reverse referral process where potentially eligible youth may walk-in without referral from any Los Angeles County Department. County will provide Contractor with specific instructions through training and applicable TAG.

4.4 WORK READINESS ASSESSMENT:

- 4.4.1 Contractor shall ensure that all youth are assessed monthly for work readiness skills attainment utilizing a County-approved LACYJ evaluation form, which will be provided at Contract execution.

- 4.4.1.1 Youth must receive a monthly performance evaluation (PE) from the work site supervisor and case manager. The monthly PE shall aid the youth in identifying and developing basic employability skills. The PE will also assess for basic employability strengths such as: following instructions, completing tasks accurately, demonstrating a "learner's attitude," accepting constructive criticism, punctuality, consistency, presenting self appropriately, drug/alcohol free behavior, having a positive attitude, and developing a positive work ethic. A copy of each PE shall be a part of each participating youth's permanent case record.

4.4.2. POST-EMPLOYMENT EVALUATION

- 4.4.2.1 Contractor shall ensure that all youth who complete the program with a minimum of 80 hours of paid work experience, as further described below, shall also complete a post-employment test in the form of a Final Performance Evaluation (FPE). A copy of the FPE shall be a part of each participating youth's permanent case record.

- 4.4.2.2 The FPE shall be completed by the worksite supervisor who directly supervised the youth on the job at the time he/she completes the paid work experience and the case manager.

- 4.4.2.3 The FPE will consist of the elements that were monitored in the monthly PE and the behaviors and concepts discussed in the personal enrichment training. The FPE is an assessment of how the youth performed his or her duties during the paid work experience, including strengths and weaknesses. City will provide Contractor with the form at time of Contract execution.

- 4.4.2.4 Contractor shall ensure that the FPE is discussed and presented to the youth prior to the distribution of his or her last paycheck.

4.5. PAID PERSONAL ENRICHMENT TRAINING

- 4.5.1 Contractor shall provide paid Personal Enrichment Training (PET) to all youth prior to the youth's engagement in paid work experience. PET includes essential skills to boost and develop an understanding of workplace competencies needed to succeed in the modern workplace. The training will consist of the following topics: financial literacy, work ethics, life skills and career exploration, and enhanced career exploration. PET will also include a component introducing youth to the concept of Science, Technology, Engineering, and Mathematics (STEM) and their impact upon jobs in the future.

- 4.5.1.1 Contractor shall provide youth with an average of 25 hours of paid compensation for participating and completing each PET module.

- 4.5.2 Contractor shall designate at minimum two (2) staff for PET training within ten (10) business days from the Contract execution and shall provide the name(s) of staff to County. Contractor must ensure the designated staff attend all training sessions conducted by County before PET trainings can begin.

- 4.5.3 Contractor shall ensure all youth participants who complete the PET receive a copy of the book entitled, "7 Habits of Highly Effective Teens," after completion of PET and Work Readiness or as instructed by the County.

4.5.4 Contractor shall safeguard the books in a secure and locked area and remain an inventory log for audit purpose.

4.5.5 Contractor shall ensure that the following documents are obtained (if applicable) from youth participating in LACYJ:

4.5.5.1 Employment Eligibility Verification (Form I-9)

4.5.5.1.1 Contractor shall obtain Form I-9 for all youth to verify the identity and work authorization in the United States prior to beginning of a paid work experience. Contractor shall ensure that the current form is utilized; the form shall be obtained from <http://www.uscis.gov/files/form/i-9.pdf>; no substitutions are permitted.

4.5.5.2 Work Permit

4.5.5.2.1 Contractor shall ensure all youth ages 14 to 17 provide a valid California work permit as indicated in the TAG, prior to beginning a paid work experience. Contractor shall ensure the work permit is on file as part of the case file.

4.6 FINANCIAL LITERACY TRAINING:

4.6.1 Contractor shall ensure that all LACYJ youth are provided with Financial Literacy Training as directed by County. County shall provide required materials to Contractor.

4.7 PAID WORK EXPERIENCE:

4.7.1 Contractor shall provide youth with an average of 100 hours of paid work experience over the term of the Contract at the minimum wage rate of **\$9.00** an hour from July 1, 2015, until December 31, 2015; and **\$10/hour** from January 1, 2016, until June 30, 2016, including appropriate income taxes and workman's compensation benefits and social security benefits.

4.7.1.1 Certain special projects may require compensation at \$10/hour prior to January 1, 2016. County will notify each WDB accordingly.

4.7.1.2 Contractor shall offer youth paid work experience incorporating the United States Department of Labor Secretary's Commission on Achieving Necessary Skills (SCANS), which will be distributed at Contract execution. Contractor shall offer work activities that will achieve the following goals:

4.7.1.2.1 Build and refine a strong work foundation and employment competencies inclusive of necessary life skills, such as: clear communication, time and money management as well as social interaction skills;

4.7.1.2.2 Experience the discipline of work, for example: following instructions, completing tasks accurately, punctuality, and presenting self appropriately; and

4.7.1.2.3 Gain an appreciation of the connection between work and learning critical to long-term employability and success in a rapidly changing labor force.

5.0 PAYMENTS TO PARTICIPANTS

5.1 Contractor shall provide detailed payment documentation, such as a timecard with documentation of actual hours worked, prior to paying a youth.

5.1.1 Contractor shall ensure that the youth and the youth's supervisor sign-off on all timesheets/timecards indicating that the correct numbers of hours were worked and recorded.

5.2 Contractor shall allow payment for youth on time spent on activities included, but not limited to, the following: PET, as described in Section 4.5, geared towards building capacity in areas relevant to work experience and career growth (i.e., opening a bank account, time management, etc.). Time spent in orientation and/or assessments will not be paid. Activities other than those listed must receive prior approval from City.

5.3 Contractor shall ensure that all payments will be made on no less than a monthly basis and in accordance with Contractor payroll policies for Contractor employees.

5.3.1 Contractor shall ensure youth understand when payday(s) occur and the method of acquiring a paycheck.

5.4 Contractor shall maintain all records consistent with Contract, and shall make them available for audit, assessment, or inspection by authorized representatives of City and County, or their designee.

6.0 WORKSITES

Contractor shall make every effort to connect youth work experience with the seven (7) identified industry sectors identified by the County WDB with the highest projected growth for the region as follows: Bio-Medical/Bio-Technology, Construction, Healthcare, Transportation and Logistics, Hospitality and Tourism, and Green/Clean Energy. Also, where appropriate, Contractor shall also identify work experience opportunities that introduce youth to STEM careers.

6.1 Contractor shall develop work experience opportunities at a variety of approved work locations (worksites) including, but not limited to:

- a) Private businesses
- b) Public agencies (e.g. County, City, State and federal agencies)
- c) Non-profit agencies (e.g. 501[c][3] public benefit corporations), and
- d) For-profit agencies

6.2 Contractor is prohibited from using the following as worksites in accordance to federal and State policies and regulations: casinos or other gambling establishments, aquariums, zoos, golf courses or swimming pools as referenced in Training and Employment Guidance Letter (TEGL) No.14-08 released on March 18, 2009.
(<http://wdr.doleta.gov/directives/attach/TEGL/TEGL14-08.pdf>)

6.3 Contractor shall ensure that all individuals providing supervision to youth are provided with an orientation concerning the LACYJ program objectives, worksite regulations, and policies and procedures.

6.3.1 Contractor shall maintain appropriate documentation substantiating that all supervisors are aware of their responsibilities.

6.4 Contractor shall ensure that payroll and worker's compensation costs are administered through Contractor's payroll service.

6.5 Contractor shall execute agreements (worksite agreement) with worksites detailing the operational specifics, minimum requirements, and the program procedures for the worksite supervisor. County shall provide a worksite supervisor's manual in the TAG.

6.5.1 Contractor shall ensure that one of the following protocols is utilized:

6.5.1.1 Contractor shall complete a worksite agreement with each individual work location and keep proper documentation in accordance with Section 6.6, or

6.5.1.2 In lieu of completing individual worksite agreements, Contractor shall provide City and County with a complete list of work sites that the youth will report to for the paid work experience upon Contract execution. Youth will only be allowed to work in the identified locations for the remainder of this Contract. Should additional worksites be identified after Contract execution, Contractor must follow the requirements of 6.5.1.

6.6 Worksite Agreement

6.6.1 The worksite agreement shall be signed by both Contractor and worksite supervisor and maintained in the case file, on file by Contractor with a copy at the worksite. If the worksite is the same as the Contractor, the worksite information shall be provided to City at the time of the contract execution.

- 6.7 Contractor will assume all responsibilities and liabilities associated with being the employer-of-record on behalf of County including, but not limited to, the following:
- 6.7.1 Work Experience Placement: Work with existing worksites for youth to complete the required program hours.
 - 6.7.2 Wages & Hours: Contractor will comply with federal and State overtime and minimum wage requirements. Additionally, Contractor will be responsible for processing payroll and reviewing timecards as required under this Contract.
 - 6.7.3 Employee Benefits: Contractor will cover all expenses associated with income tax and worker's compensation on behalf of LACYJ participants in accordance with County, State, and federal requirements as specified under this Contract.
 - 6.7.4 Workplace Health and Safety: Contractor will comply with OSHA requirements, and will implement policies regarding smoking, drugs and alcohol abuse. Contractor shall also ensure worksite is safe for youth in accordance with existing California Labor and Health and Safety laws and regulations.
 - 6.7.5 Discrimination: Contractor will prevent sexual harassment and discrimination based on age, race, pregnancy, sexual orientation and national origin.
 - 6.7.6 Termination: Contractor will have a process in place to terminate youth who either violate the worksite rules or fail to comply with LACYJ rules and policies.

7.0 CONTRACTOR'S STAFF

- 7.1 GENERAL REQUIREMENTS- Contractor shall have qualified staff to deliver the Services described herein adequately with the appropriate education, experience, and qualifications to carry out the requirements of the LACYJ Program. The total number of staff shall be based on the method and level of services provided. All staff qualifications are subject to an annual review by the County Auditor-Controller.
- 7.1.1 Contractor shall operate continuously throughout the entire term of the Contract with at least the minimum staff set forth herein, as well as any other applicable staffing requirements established by County for the Contractor necessary to provide Services hereunder. Such personnel shall meet all qualifications in this Contract, as well as those provided by County through amendments, administrative directives and program policy memorandums.
 - 7.1.2 Contractor shall ensure that Contractor staff is available to all youth referral sources, as well as to City and County, on a minimum five-day-a-week (Monday through Friday) basis (not including County recognized holidays).
 - 7.1.2.1 Contractor's office shall be open a minimum of eight (8) hours per day between the hours of 8:00 a.m. to 5:00 p.m.
 - 7.1.2.2 Contractor shall also ensure that live telephone contact with Contractor staff is available to youth participants, potential youth participants, as well as City and County, during the Contractor hours of operation.
 - 7.1.2.3 Contractor shall also ensure that each Contractor site has a telephone answering machine or voice mail system in place during off-business hours. Contractor's staff shall check and respond to all messages in a timely manner.
 - 7.1.3 Contractor shall always have an employee with the authority to act on behalf of Contractor available during work hours.
 - 7.1.4 Contractor shall have discretion in determining appropriate staffing levels (with the exception of the accountant as detailed in *Section 7.2*) to provide required tasks and work outlined in the SOW.
 - 7.1.5 Training Personnel: Contractor shall designate at minimum two qualified staff members within ten (10) business days of the Contract execution to facilitate the PET as directed and trained by County.
 - 7.1.5.1 Contractor shall inform City of the name of the Contractor's primary trainers contact and back-up within two (2) weeks of any reassignment or substitution.

- 7.1.6. MIS Personnel: Contractor shall assign a primary MIS contact for youth data issues and problems. A back-up employee must be designated to act on behalf of the primary MIS contact person in the event of his or her absence.
- 7.1.7 Contractor is encouraged to hire up to three (3) LACYJ youth to function as LACYJ outreach staff for Workforce Innovation and Opportunity Act (WIOA) referrals and co-enrollments. It is also encouraged that the outreach staff consist of any combination of the following target populations: foster care, probation, and/or CalWORKs. City will release detailed duties and responsibilities for the outreach staff at the time of Contract execution.
- 7.2 ACCOUNTING STAFF- Contractor staff shall include at a minimum one part time accounting staff.
 - 7.2.1 Responsibilities: The Accounting Staff will be responsible for all fiscal matters related to the program.
 - 7.2.2 Minimum Education, Experience and Qualifications:
 - 7.2.2.1 Ability to speak/read/understand English fluently;
 - 7.2.2.2 Bachelor's degree from an accredited university in Accounting or Business Finance; **-AND-**
 - 7.2.2.3 One year of accounting experience at a level distinguished by the responsibility for performing the fiscal functions relating to federal grants management.
 - 7.2.2.4 Ability and experience in reporting accruals;
 - 7.2.2.5 Ability and experience in the development of cost allocation plans;
 - 7.2.2.6 Ability and experience interpreting the following, but not limited to: Office of Management and Budget regulations (OMBs), Generally Accepted Accounting Principles (GAAP), Code of Federal Regulations (CFRs), and Generally Accepted Government Auditing Standards (GAGAS); and
 - 7.2.2.7 Ability and experience interpreting County fiscal policies, local Workforce Development Board (LACWDB) policies and directives, and WIOA regulations.
- 7.3 MULTILINGUAL CAPABILITIES OF CONTRACTOR'S STAFF
 - 7.3.1 Contractor must seek to provide services in the primary/native language of the LACYJ youth participants with limited or no English speaking capabilities, to better serve the communities served by Contractor. Contractor shall make efforts to employ employees and recruit volunteers who are bilingual or who are fluent in the dominant languages of the community. Contractor shall not require any LACYJ youth participants to provide his/her own interpreter.
 - 7.3.2 Contractor must be committed and sensitive to the delivery of services that are culturally and linguistically appropriate. To that end, Contractor must seek to hire qualified staff that is multilingual and/or multicultural in order to better reflect the communities served by Contractor. In addition, Contractor and its employees, including volunteers, are expected to develop cultural competency and cross-cultural clinical practice skills. Contractor must also develop effective linkages with various ethnic, health and social service agencies for the benefit of LACYJ youth participants to reflect the ethnic and cultural needs of the community being served.
- 7.4 USE OF VOLUNTEER SERVICES
 - 7.4.1 Volunteers may be recruited, trained and used by Contractor to expand the provision of LACYJ services. Volunteers must be appropriately qualified for the responsibilities Contractor intends to assign them to prior to beginning those responsibilities. Volunteers shall be solely the responsibility of Contractor, and shall report to the operations manager, or equivalent position, or another employee of Contractor as designated by the operations manager. If possible, Contractor shall work in coordination with organizations that have experience in providing training, placement, and stipends for volunteers or youths (such as organizations carrying out federal service programs administered by the Corporation for National and Community Service), in a community service setting.

8.0 PERFORMANCE MEASURES AND STANDARD GOALS

- 8.1 Contractor shall ensure that at least 95% of Youth enrolled in the LACYJ program are placed in paid work experience during the months of July through September 2015.
- 8.2 Contractor shall ensure that 100% of youth complete the PET prior to beginning a paid work experience.
 - 8.2.1 Contractor has the flexibility to allow Youth to participate concurrently in PET and paid work experience as appropriate.
 - 8.2.2 Contractor shall ensure that 100% of youth receive the book entitled, "*7 Habits of Highly Effective Teens*." Contractor is responsible to maintain an adequate supply of books along with an inventory mechanism.
 - 8.2.2.1 If a youth does not wish to receive a copy of "*7 Habits of Highly Effective Teens*," this must be documented in the case notes or as directed by City and County.
- 8.3 Contractor shall ensure that, at minimum, 100% of youth complete an exit survey prior to receiving his/her final paycheck. County will provide Contractor with training and detail instructions upon Contract execution.
- 8.4 Contractor shall ensure that 100% of youth receive a monthly PE.
- 8.5 Contractor shall ensure that 100% of youth receive a FPE.
- 8.6 Contractor shall ensure that 100% of youth served shall capture the information requested in Section 9.1.2 and enter into the appropriate County database.
- 8.7 Contractor shall ensure that 100% of youth served attain a library card.

9.0 DIRECT DATA ENTRY

- 9.1 Contractor shall utilize the identified LACYJ database system, the WebAPP, to track youth referrals, enrollments, placements, exits and all other data requirements specific to LACYJ.
 - 9.1.1 Contractor shall complete and return to County-assigned contract analyst and to the City-assigned contract analyst, the County "Agreement for Acceptable Use of County's Information Technology Assets, Computers, Networks, System and Data" form, as well as the Contractor "Employee Acknowledgement and Confidentiality Agreement" form. These forms will be distributed to Contractor at the time of Contract execution.
 - 9.1.2 Contractor shall also be required to capture the following information during the Exit procedure:
 - a) The total number of youth referrals to partnering WIOA formula provider(s).
 - b) The total number of youth that planned to return to high school or enter secondary or post-secondary education after exiting LACYJ.
 - c) The total number of youth who were hired permanently either part-time or full-time after exiting LACYJ.
- 9.2 Contractor must ensure that all youth information is entered within three (3) business days of the point of participant registration, enrollment, placement and exit and maintained accordingly.
 - 9.2.1 Contractor may be required to enter data within the same business day. City will provide Contractor with clear direction upon Contract execution.
- 9.3 All information, records, data elements, and printouts collected and maintained for the operation of the LACYJ (including paper and electronic data) must be protected from unauthorized disclosures in accordance with California Welfare and Institutions Code Section 10850; 45 CFR Section 205.50; California Information Practices Act of 1977; and all other applicable laws and amendments hereto.

10.0 SUBCONTRACTING

- 10.1 The requirements of the Contract may not be subcontracted.

11.0 FISCAL REQUIREMENTS

11.1 Leveraging

- 11.1.1 Contractor may leverage resources to increase the amount of services provided to youth and broaden the impact of the program itself.
- 11.1.2 Leveraged resources can include cash, as well as a wide range of in-kind benefits from personnel, volunteers, facilities, materials, and direct participant costs paid from other public and private resources. Public resources can include co-enrollment in other federally funded programs, private grants, paid internships, supervisor hours, public education instructional services, donated materials, etc., to the extent allowed by applicable laws and regulations.

11.2 Contractor's Indirect Costs

- 11.2.1 Indirect Costs: Costs that have been incurred for common or joint purposes and cannot be readily identified with a particular final cost objective. Examples of indirect costs include, but are not limited to: salaries, employee benefits, supplies and other costs related to general administration of the organization and salaries and expenses of executive officers, personnel administration and accounting.
- 11.2.2 If Contractor requests payment for indirect costs, Contractor shall retain on file an approved "Indirect Cost Rate of a Cost Allocation Plan," as defined in Section 11.2.1 documenting the methodology used to determine indirect costs. Such records shall be maintained in accordance with record retention policies outlined in the Contract, Paragraph 8.38, Record Retention and Inspection/Audit Settlement.

11.3 Program Income Statement Report

- 11.3.1 Program Income: as defined in Contract Attachment E (County Exhibit J), Definitions, includes, but is not limited to:
 - 11.3.1.1 Income received by Contractor or sub-contractor directly generated by a grant support activity, or earned only as a result of the grant agreement during the grant period;
 - 11.3.1.2 Income from usage or rental fees of real or personal property acquired with Contract funds; and
 - 11.3.1.3 Interest income earned on funds received under WIA or WIOA is included.
- 11.3.2 Contractor shall adhere to the Program Income requirements outlined in the OMB Uniform Grant Guidance, located in Title 2 of the CFR, Section 200 et seq.
 - 11.3.2.1 The use of program income requires prior written approval from City.
 - 11.3.2.2 Contractor shall prepare an annual "Program Income Statement Report" ("Report") on contract revenues versus expenditures, to identify the amount of program income. The Report shall be amended by Contractor if adjustments are required due to any new information received after the filing of the Report.
 - 11.3.2.3 The Report shall be submitted along with the closeout report in the form, manner and timeline as designated by County.

11.4 Plan for Disposition of Program Income

- 11.4.1 If Contractor's Report identifies program income, Contractor shall prepare and submit a "Plan for Disposition of Program Income" ("Plan"). The Plan shall be completed and submitted to the City in the form and manner as designated by County within thirty (30) days after the Report is due, as specified in 11.3.
 - 11.4.1.1 The Plan shall be reviewed by County for final approval. The Plan shall be amended by Contractor as soon as possible if the Report is amended.
 - 11.4.1.2 Program income shall be spent on line items identified by Contractor in the Plan (upon County's approval of the Plan).

11.4.2 Final Report on Disposition of Program Income

11.4.2.1 Within thirty (30) days after the scheduled completion date of an approved Plan, Contractor must submit a final report on the disposition of program income ("Final Report") to City in the form and manner designated by County.

11.4.2.2 If the final Report is not submitted on the scheduled date, City may recapture the balance of the unexpended program income, or pursue any other remedies available to City under this Contract.

11.5 Program Refunds and Rebates

11.5.1 Contractor shall abide by the following:

11.5.2 Any refunds or rebates to this program made during the period of performance of the Contract shall abate expenditures and not be retained by Contractor for other purposes.

11.5.2.1 Examples of refunds and rebates include, but are not limited to:

- 1) Refunds for workers' compensation payments,
- 2) Vendor rebates; and
- 3) Receipts from sale of property for which County does not hold title.

11.5.3 Any refunds or rebates related to this program made after submission of the final Report must be remitted to City.

Checks shall be sent to:

Economic and Workforce Development Department
Catherine Bondoc, Director of Financial Management Division
1200 W. 7th Street, 6th floor
Los Angeles, CA 90017

Contractor shall note the Contract name and number and include a copy of the final Report, and the source of the refund or rebate.

11.6 Contractor shall not have any outstanding overpayments, audit and/or monitoring findings, including single audit reports, or questioned costs with County, prior to execution of this Contract. CSS will deem findings resolved if the County has accepted the Contractor's corrective action plan, single audit report, and/or the Contractor has reimbursed County for questioned costs. Failure to comply with this provision will be grounds for not executing a contract.

12.0 REPORTS AND DOCUMENTATION

12.1 Contractor shall report all expenditures on an accrual basis and must complete and submit the Detailed Expenditure Report (DER), on a monthly basis, which will be provided by City and which includes actual and accrued expenditures by budget category. The DER is due by the 5th of each month to City.

12.2 Closeout Reports

12.2.1 Contractor shall prepare and submit a closeout report in the form and manner designated by County.

12.2.2 Contractor shall maintain all records and reports, consistent with Contract, and shall make them available for audit, assessment, or inspection by authorized representatives of City and County, or their designee.

13.0 MANAGEMENT INFORMATION SYSTEMS

13.1 Contractor shall track the progress of youth by properly recording all youth data in County authorized and approved Management Information System(s) (MIS), the Youth Information Database. Contractor is also required to have an internet compatible computer system-internet gateway, and to ensure equipment is in working condition in order to operate the system.

13.1.1 MIS Personnel: Contractor shall assign a primary MIS contact for youth data issues and problems. A back-up employee must be designated to act on behalf of the primary MIS contact person in the event of his or her absence.

- 13.1.2 Contractor shall inform City and County of the name of the Contractor's primary MIS person contact and back-up within two (2) weeks of any reassignment or substitution.
- 13.1.3 Contractor shall ensure that data collection related to case management activities and the tracking and recording of LACYJ performance is captured in the authorized management system within three (3) days and in accordance with appropriate federal, State, LACWDB and County regulations, policies and protocols.
- 13.1.4 Contractor shall ensure that all MIS staff are properly trained to operate the MIS system and attend all MIS training courses provided by County and that MIS operations are in compliance with all applicable regulations.
- 13.1.5 Contractor shall utilize County's proprietary web-based application for all facets of the LACYJ Program including, but not limited to: reporting, tracking, and performance requirements.
- 13.1.6 County shall provide training on the web-based application to Contractor and designated staff as needed to ensure system compliance and data integrity.

14.0 TRAINING

- 14.1 Contractor is responsible for ensuring its staff, including volunteers, employees, both existing and new, are properly trained in all areas related to providing services for LACYJ. Staff must be qualified, sufficient in number to deliver the Service(s) adequately, and capable of establishing effective communication with the youth as well as network with other contractors in accordance with the Contract.
- 14.2 Contractor's Executive Director shall ensure that all appropriate Contractor employees attend all training sessions as required by County, held at a County facility or another site, as determined by County for Contractor's benefit. Further, Contractor shall ensure that, at a minimum, a Contractor's designated, paid employee represents Contractor at each training session. Contractor may also attend training opportunities outside of the County at Contractor's own expense that Contractor reasonably deems to be beneficial for the delivery of LACYJ.
 - 14.2.1 Failure to attend mandated trainings shall be considered non-compliance with this Contract, and may result in further action pursuant to Contract Section 501, Defaults, and any other applicable Contract provisions.
- 14.3 Contractor or authorized designee shall attend all mandated trainings called by County and City. Contractor shall be given advance notice of all scheduled trainings. Failure to attend mandated trainings shall be considered non-compliant with this Contract, and may result in further action pursuant to Contract Section 501, Defaults, and any other applicable provisions.
- 14.4 Contractor staff is also required to regularly attend trainings that offer ways to expand knowledge of and increase efficiency in the Services provided. These meetings may be called by County/City and held at a County/City facility or another site.
- 14.5 Contractor staff shall attend the mandatory County provided civil rights training as directed by County and in accordance to applicable memorandum of understanding between County and DPSS, and applicable rules and regulations. Please reference Section 22.0 of this SOW.

15.0 MEETINGS

- 15.1 Contractor or authorized designee shall attend all mandated meetings called by County/City. Contractor shall be given 3-5 days advance notice of all scheduled meetings. Failure to attend mandated meetings shall be considered non-compliance with the Contract and may result in further action pursuant to contract Section 501, Defaults, and any other applicable provisions.
 - 15.1.1 Examples of required meetings include, but are not limited to:
 - 1) Program specific launch meetings
 - 2) Performance monitoring related meetings
 - 3) Group technical assistance gatherings
- 15.2 Contractor staff is also required to regularly attend meetings that offer ways to expand knowledge of and increase efficiency in the Services provided. These meetings may be called by City/County and held at a

City/County facility or another site, as determined by City/County. Contractor may also choose to attend educational or training opportunities outside of City/County at Contractor's own expense that Contractor reasonably deems to be beneficial for the delivery of client services, as well as other meetings designated by City/County.

16.0 UNUSUAL OCCURRENCES/CRIME

- 16.1 Unusual occurrences such as natural disaster (including earthquakes, floods, landslides, wildfires, extreme heat/cold), man-made emergencies (such as epidemic outbreaks, bio-terrorism, food-borne illness, fire, major accidents, death from unnatural causes, or other catastrophes), and unusual occurrences which threaten the welfare, safety or health of LACYJ youth, personnel or visitors shall be reported by Contractor within twenty-four (24) hours to the local health officer by telephone and confirmed in writing, and also to City by telephone and also in writing or email.
- 16.2 Crime related occurrences, such as theft or vandalism, must be reported by Contractor within twenty-four (24) hours to the local police or sheriff department by telephone and confirmed by filing a police report, and also to City by telephone and confirmed by providing a copy of a filed police report. Contractor shall prepare and retain an incident report on file, and shall include a copy of the filed police report on file. Contractor shall maintain all such police reports. Contractor shall furnish such other pertinent information related to such occurrence as the local authorities and/or City may require.

17.0 EMERGENCY AND DISASTER PREPAREDNESS

- 17.1 Notwithstanding Contractor and City's contractual objective to provide Services to eligible youth, Contractor shall make services available to any youth impacted by a nationally- or state-declared emergency event, contingent upon the availability and commitment of Federal Emergency Management Agency (FEMA) or State Office of Emergency Services (OES) funds with which to reimburse Contractor for funds expended.
 - 17.1.1 Contractor must have a written emergency plan on file describing how Services will be maintained in the event of a disaster or emergency.
- 17.2 Contractor shall develop and have on file a written Business Continuity Plan (BCP) that describes how Contractor will reduce the adverse impact of any emergency event, to LACYJ youth as determined by both the scope of the event (e.g., who and what it affects, and to what extent), and also its duration (e.g., hours, days, months). Contractor shall make the BCP available to its employees, and volunteers, for reference before, during, and after such emergency event disruptions.

18.0 LICENSES AND CERTIFICATIONS

- 18.1 Contractor shall obtain and maintain, during the term of the Contract, for Contractor and all staff, all appropriate licenses, permits and certificates required by all applicable City, County, State and/or federal laws, regulations, guidelines, and directives for the operation of its facility(ies) and for the provision of Services hereunder such as business licenses, fire department inspection reports, certificates of insurance as indicated in Contract.
- 18.2 Prior to the execution of the Contract, and in cases of new staff or staff with updated licenses, permits or certifications, Contractor shall provide copies of all new or updated licenses, permits and certificates within ten (10) business days of the license, permit or certification award or update.

Copies shall be sent to City program analyst.

19.0 LOCATION OF SERVICE AND HOURS OF OPERATION

- 19.1 Contractor shall maintain an office in the City.
- 19.2 Contractor's office shall be open a minimum eight (8) hours per day between the hours of 8:00 a.m. to 5:00 p.m. Monday through Friday, excluding City observed holidays.
- 19.3 Contractor shall publicly display at all Contractor office locations/sites the days and hours of operation for the provision of contracted Services. Contractor shall ensure that availability for LACYJ services is appropriate for the demographics associated with the service area (site location).

- 19.4 Contractor shall inform City in writing and receive a written City approval at least sixty (60) days prior to relocation of Contractor's Contractor office or site location(s).
- 19.5 Contractor shall ensure that all site locations/buildings and surrounding areas are maintained in a manner consistent with applicable local, State, and federal occupational safety and sanitation laws and regulations. The premises shall be free of any accumulation of garbage, rubbish, stagnant water, or filthy or offensive matter of any kind to ensure that the premises are maintained in a clean and wholesome condition. The physical locations shall be acceptable and accessible to the public. Contractor shall comply with the Americans with Disabilities Act of 1990, as amended.
- 19.6 Prior to modifying or terminating Services, or revising hours of service delivery at a previously designated location(s), and before commencing such services at any other location, Contractor shall obtain written consent of City.

20.0 GREEN INITIATIVES

- 20.1 Contractor shall use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits.
- 20.2 Contractor shall notify City program analyst of Contractor green initiatives prior to commencement of the contract.

21.0 OTHER PROVISIONS

- 21.1 Program Supervision, Monitoring and Review
 - 21.1.1 Services hereunder shall be provided by Contractor under the general supervision of County/City. County/City shall have the right to supervise, monitor and specify the kind, quality, appropriateness, timeliness and amount of the Services and the criteria for determining the persons to be served. Contractor agrees to extend to City, to County, to authorized State representatives, and to authorized federal representatives, the right to review and monitor Contractor's facilities, programs, records, or procedures at the discretion of City, County, State and federal representatives.
- 21.2 Contractor shall comply with all requirements set forth by the Department of Public Social Services (DPSS) Memorandum of Understanding with regards to this LACYJ Program.

22.0 CIVIL RIGHTS COMPLIANCE

- 22.1 Civil Rights Laws
 - 22.1.1 Contractor will abide by the provisions of Title VI and Title VII of the Federal Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, the Food Stamp Act of 1977, the Americans with Disabilities Act of 1990, WIC Section 10000, California Department of Social Services Manual of Policies and Procedures, Division 21, and other applicable federal and State laws to ensure that employment practices and the delivery of social service programs are nondiscriminatory. Under this requirement, Contractor shall not discriminate on the basis of race, color, national origin, ethnic group identification, political affiliation, religion, marital status, domestic partnership, sex, age, sexual orientation, or disability and in compliance with all anti-discrimination laws of the United States of America and the State of California.
 - 22.1.2 Contractor will abide by all provisions contained in the DPSS Civil Rights Training Handbook. The DPSS Civil Rights Training Handbook, which was developed in compliance with the Resolution Agreement ("Agreement") between the County and the federal Office of Civil Rights of the Department of Health and Human Services, incorporates the Civil Rights requirements of the Agreement along with all other mandated federal and State requirements that must be adhered to by DPSS, its contractors, and subcontractors. They include, but are not limited to, the following:

- 22.1.2.1 Effectively identifying participant's designated/preferred language. This can be accomplished by using DPSS Language Designation form (PA 481) (or a similar form that Community and Senior Services already has in place and approved by DPSS), which will be provided at time of contract execution.
 - 22.1.2.2 Ensuring that notices sent to participants are in their respective designated/preferred language.
 - 22.1.2.3 Providing and assisting participants, as needed, when completing a Complaint of Discriminatory Treatment (PA 607) form, which will be provided at time of contract execution, in the participant's primary language.
 - 22.1.2.4 Maintaining a log of civil rights complaints. Contractor will maintain the confidentiality of the log by maintaining it in a locked drawer or cabinet.
- 22.1.3 Contractor shall designate a person who will act as the Civil Rights Liaison (CRL) between the Contractor and City and shall notify City the name and contact information.
 - 22.1.4 Contractor shall forward all Complaint of Discriminatory Treatment forms (PA 607s) to the DPSS Administrator within two (2) business days and a copy to City program analyst.

Department of Public Social Services Civil Rights Section
12860 Crossroads Parkway South
City of Industry, CA 91746
(562) 908-8501

A copy of the Complaint of Discriminatory Treatment form (PA 607) and a copy of the complaint log must be submitted to:

DPSS Administrative Headquarters
Contract Management Division
12900 Crossroads Parkway South
City of Industry, CA 91746
Attention: Sheri Ramirez-Garcia

AND

Department of Community and Senior Services
3175 W. 6th Street, Room 304
Los Angeles, CA 90020
Attention: Greta Setian, Human Services Administrator I

- 22.1.5 Contractor shall not attempt to investigate any civil rights complaints filed by a youth or by agent of a youth. All investigations are handled by the DPSS Civil Rights Section (CRS).

22.2 CONFIDENTIALITY

- 22.2.1 Contractor shall maintain the confidentiality of all records and information relating to CalWORKs/General Relief (GR) participants it receives from DPSS. Contractor agrees to adhere to the requirements of California Welfare & Institutions Code (WIC) Section 10850 et seq. and the California Department of Social Services, Manual of Policies and Procedures, Confidentiality Fraud, Civil Rights, and State Hearings, as well as all other applicable State, County, and City laws, ordinances, regulations and directives relating to confidentiality.

22.2.1.1 Contractor agrees herein and any projects hereunder that provide for the sharing of individually identified information shall only be used for purposes directly connected to the administration of public social services programs of the County pursuant to WIC Section 10850 et seq. and the California Department of Social Services, Manual of Policies and Procedures, Confidentiality Fraud, Civil Rights, and State Hearings. The Parties agree that the sharing of identified information can only occur where there is a legally permissible or required authorization or the disclosure is otherwise permitted or required by law.

22.2.2 Contractor shall maintain the confidentiality of all records obtained from DPSS in accordance with all other applicable federal, State or local laws, ordinances, regulations, and directives, including but not limited to, WIC Sections 10850.

22.2.3 Contractor shall ensure all staff that work with participants must review and sign the Contractor Employee Acknowledgment and Confidentiality Agreement and maintains copies, along with the original copy on file, and ready for distribution upon request from County.

22.2.4 In no case shall records or information pertaining to individuals receiving aid be disclosed to any person except designated County Contractor employees without prior written permission of the DPSS Director or their authorized representative. The DPSS Director shall be advised of any request for such records or information.

22.2.5 Contractor shall ensure that all monitors, printers, hard copy printouts or any other forms of DPSS data are maintained so that they may not be viewed by the public or other unauthorized persons.

23.0 PLANNED PARTICIPANT SERVICE LEVEL

Planned Participant Service Level and Planning Commission District Area

The following is the planned participant service level. This may be modified only by the City.

PARTICIPANT SLOTS	CalWORKs TANF	County General Fund - NCC (Net County Cost)	FOSTER	TOTAL
TOTAL	70	70	10	150

Contractor shall serve participants in the following Planning Commission District Areas. This may be modified only by the City.

SLOTS	Central	South	East	North Valley	South Valley	Harbor	West	Total Service
TOTAL		150						150

EXHIBIT H

INVENTIONS, PATENTS AND COPYRIGHTS

A. Reporting Procedure for Inventions

If any project produces any invention or discovery (Invention) patentable or otherwise under Title 35 of the U.S. Code, including, without limitation processes and business methods made in the course of work under this Agreement, the Contractor shall report the fact and disclose the Invention promptly and fully to the City. The City shall report the fact and disclose the Invention to the Grantor. Unless there is a prior agreement between the City and the Grantor, the Grantor shall determine whether to seek protection on the Invention. The Grantor shall determine how the rights in the Invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Ch. 18 of Title 35 USC §200 *et seq.* (P.L. 95-517, P.L. 98-620, 37 CFR, Part 401); Presidential Memorandum on Government Patent Policy to the Heads of the Executive Departments and Agencies, dated 2/18/1983; and Executive Order 12591, 4/10/87, 52 FR 13414, 3 CFR, 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, 3 CFR, 1987 Comp. p. 262). Contractor hereby agrees to be bound by the Policy, and will contractually require its personnel to be bound by the Policy.

B. Rights to Use Inventions

City shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Invention developed under this Agreement.

C. Copyright Policy

1. Unless otherwise provided by the terms of the Grantor or of this Agreement, when copyrightable material (Material) is developed under this Agreement, the author or the City, at the City's discretion, may copyright the Material. If the City declines to copyright the Material, the City shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, access, manufacture, improve upon, and allow others to do so for all governmental purposes, any Material developed under this Agreement.
2. The Grantor shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement or any Copyright purchased under this Agreement. Contractor shall comply with 24 CFR 85.34.

D. Rights to Data

1. The Grantor and the City shall have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so; as required by 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 USC §401 or §402, the Grantor acquires the data under a copyright license as set forth in 48 CFR 27.404(f) (2) instead of unlimited rights (48 CFR 27.404(a)).
2. Obligations Binding on Subcontractors Contractor shall require all subcontractors to comply with the obligations of this section by incorporating the terms of this section into all subcontracts.

E. Intellectual Property Provisions for California Sub-Grants – IF APPLICABLE

This Agreement is funded in part with federal "pass through" funds from the State of California (State). The following requirements are applicable to this Agreement. In any Contract funded in whole or in part by the federal government, City/State may acquire and maintain the Intellectual Property rights, title, and ownership, which result directly or indirectly from the Contract, except as provided in 37 Code of Federal Regulations Part 401.14. However, pursuant to 29 CFR Part 97.34, the federal government shall have a royalty-free, non-exclusive, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

F. Ownership

1. Except where City/State has agreed in a signed writing to accept a license, City/State shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all intellectual property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement.
2. For the purposes of this Agreement, Intellectual Property means recognized protectable rights and interest such as: patents (whether or not issued,) copyrights, trademarks, service marks, applications for any of the foregoing: inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know-how, design flows, methodologies, devices, business processes, developments, innovations, good will any data or information maintained, collected or stored in the ordinary course of business by City/State, and all other legal rights protecting intangible proprietary information as may exist now and/or hereafter come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country, jurisdiction.
3. For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter, including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works, including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos, computer software and any other materials of products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. "Works" does not include articles submitted to peer review or reference journals or independent research projects.
4. In the performance of this Agreement, Contractor may exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Contract. In addition, under this Agreement, Contractor may access and utilize certain of City's/State's Intellectual Property in existence prior to the effective date of this Contract. Except as otherwise set forth herein, Contractor shall not use any of City's/State's Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of City/State. Except as otherwise set forth herein, neither Contractor nor City/State shall give any ownership interest in or rights to its Intellectual Property to the other Party. If, during the term of this Agreement, Contractor accesses any third-party Intellectual Property that is licensed to City/State, Contractor agrees to abide by all license and confidentiality restrictions applicable to City/State in the third-party's license agreement.
5. Contractor agrees to cooperate with City/State in establishing or maintaining City/State's exclusive rights in the Intellectual Property, and in assuring City's/State's sole rights against third-parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this Contract, Contractor shall require the terms of agreement(s) to include all Intellectual Property provisions herein. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to City/State all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or City/State and which result directly indirectly from this Contract or any subcontract.
6. The requirement for the Contractor to include all Intellectual Property Provisions in all agreements and subcontracts if enters into with other parties does not apply to agreements or subcontracts that are for customized and on-the-job-training as authorized under 20 CFR 663.700-730.
7. Contractor further agrees to assist and cooperate with City/State in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony, and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce City's/State's Intellectual Property rights and interests.

G. Retained Rights/License Rights

1. Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement, Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this Contract. Contractor hereby grants to City/State, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose of Contractor's Intellectual Property with the right to sub-license through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this Agreement, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.
2. Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this Agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of City/State or third-party, or result in a breach or default of any provisions herein or result in a breach of any provisions of law relating to confidentiality.

H. Copyright

1. Contractor agrees that for purposes of copyright law, all works made by or on behalf of Contractor in connection with Contractor's performance of this Contract shall be deemed "works for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this Contract will be a "work made for hire", whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act; and (ii) that person shall assign all right, title, and interest to City/State to any work product made, conceived, derived from or reduced to practice by Contractor or City/State and which result directly or indirectly from this Contract.
2. All materials, including, but not limited to, computer software, visual works or text, reproduced or distributed pursuant to this Agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement may not be reproduced or disseminated without prior written permission from City/State.

I. Patent Rights

With respect to inventions made by Contractor in the performance of this Contract, which did not result from research and development specifically included in the Agreement's scope of work, Contractor hereby grants to City/State a license for devices or material incorporating, or made through the use of such inventions. If such inventions result from research and development work specifically included within the Agreement's scope of work, then Contractor agrees to assign to City/State, without additional compensation, all its rights, title and interest in and to such inventions and to assist City/State in securing United States and foreign patents with respect thereto.

J. Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this Agreement shall not be dependent upon or include any Intellectual Property of Contractor or third-party without first: (i) obtaining City's/State's prior written approval; and (i) granting to or obtaining for City's/State's, without additional compensation, a license, as described in Section G. above, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this Agreement. If such a license upon these terms is unattainable, and City/State determines that the Intellectual Property should be included in or is required for Contractor's performance of this Agreement, Contractor shall obtain a license under terms acceptable to City/State.

K. Warranties

1. Contractor represents and warrants that:
 - a. It has secured and will secure all rights and licenses necessary for its performance of this Agreement. Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell,

import, export, its modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There are currently no actual or threatened claims by any such third-party based on an alleged violation of any such right by Contractor.

- b. Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
 - c. It has secured and will secure all rights and licenses necessary for Intellectual Property, including, but not limited to, consents, waivers or releases from all authors or music or performances used, and talent (radio, television, and motion picture talent), owners of any interest in and to real estate, sites locations, property or props that may be used or shown.
 - d. It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to City/State in this Agreement.
 - e. It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance or computer software in violation of copyright laws.
 - f. It has not knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this Agreement.
2. City/State make no warranty that the intellectual property resulting from this sub-grant Agreement does not infringe upon any patent, trademark, copyright or the like, now existing or subsequently issued.

L. Intellectual Property Indemnity

1. Contractor shall indemnify, defend and hold harmless City/State and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products ("Indemnities") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third-party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim action, or proceeding, commenced or threatened) to which any of the Indemnities may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to: (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of City's/State's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that was issued after the effective date of this Contract. City/State reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against City/State.
2. Should any Intellectual Property licensed by the Contractor to City/State under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve City's/State's right to use the licensed Intellectual Property in accordance with this Agreement at no expense to City/State. City/State shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for City/State to continue using the licensed Intellectual Property, or replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, City/State may be

entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in equity.

3. Contractor agrees that damages alone would be inadequate to compensate City/State for breach of any term of these Intellectual Property provisions herein by Contractor. Contractor acknowledges City/State would suffer irreparable harm in the event of such breach and agrees City/State shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

M. Survival

The provisions set forth herein shall survive any termination or expiration of this Agreement or any project schedule.

ATTACHMENT A (COUNTY EXHIBIT D)

EXHIBIT D
(CONTRACTOR'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION)

Watts Labor Community Action Committee	T5832
Contractor's Name	Contract Number
10950 S. Central Avenue, Los Angeles, CA 90059	
Address	
95-2412869	
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. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Contractor periodically conducts a self-analysis or utilization analysis of its workforce. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Contractor has a system for determining if its employment practices are discriminatory against protected groups. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

Timothy Watkins
Name of Authorized Representative (Print)

President/CEO
Title of Authorized Representative (Print)



Signature

7/30/15
Date

ATTACHMENT B (COUNTY EXHIBIT G)

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; forms; 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:

Exhibit G (Contractor Acknowledgement and Confidentiality Agreement)

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- 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.

Watts Labor Community Action Committee

Contractor's Name

T5832

Contract Number

Timothy Watkins

Name of Authorized Representative (Print)

Signature

President/CEO

Title of Authorized Representative (Print)

7/30/15

Date

Exhibit G (Contractor Acknowledgement and Confidentiality Agreement)

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ATTACHMENT C (COUNTY EXHIBIT H)

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.

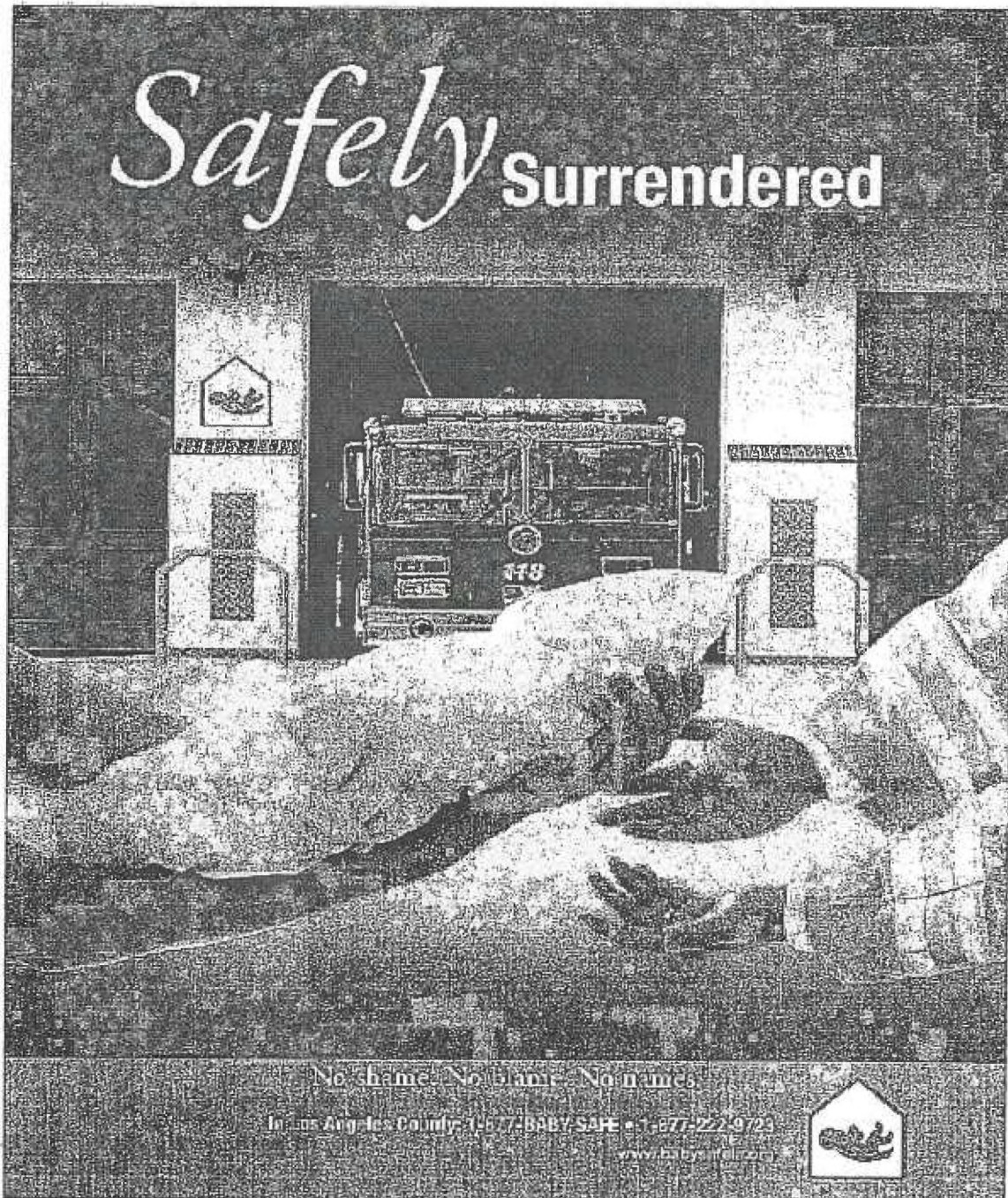
"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.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

ATTACHMENT D (COUNTY EXHIBIT I)

EXHIBIT I
(SAFELY SURRENDERED BABY LAW FACT SHEET)



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafe.com



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, to bring in the baby within 72 hours of birth if the baby's mother has not been notified or notified but the baby may be surrendered with no fear of arrest or prosecution.

In Los Angeles County: 1-877-BABY SAFE 1-877-222-9723

www.baby-safe.org

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.

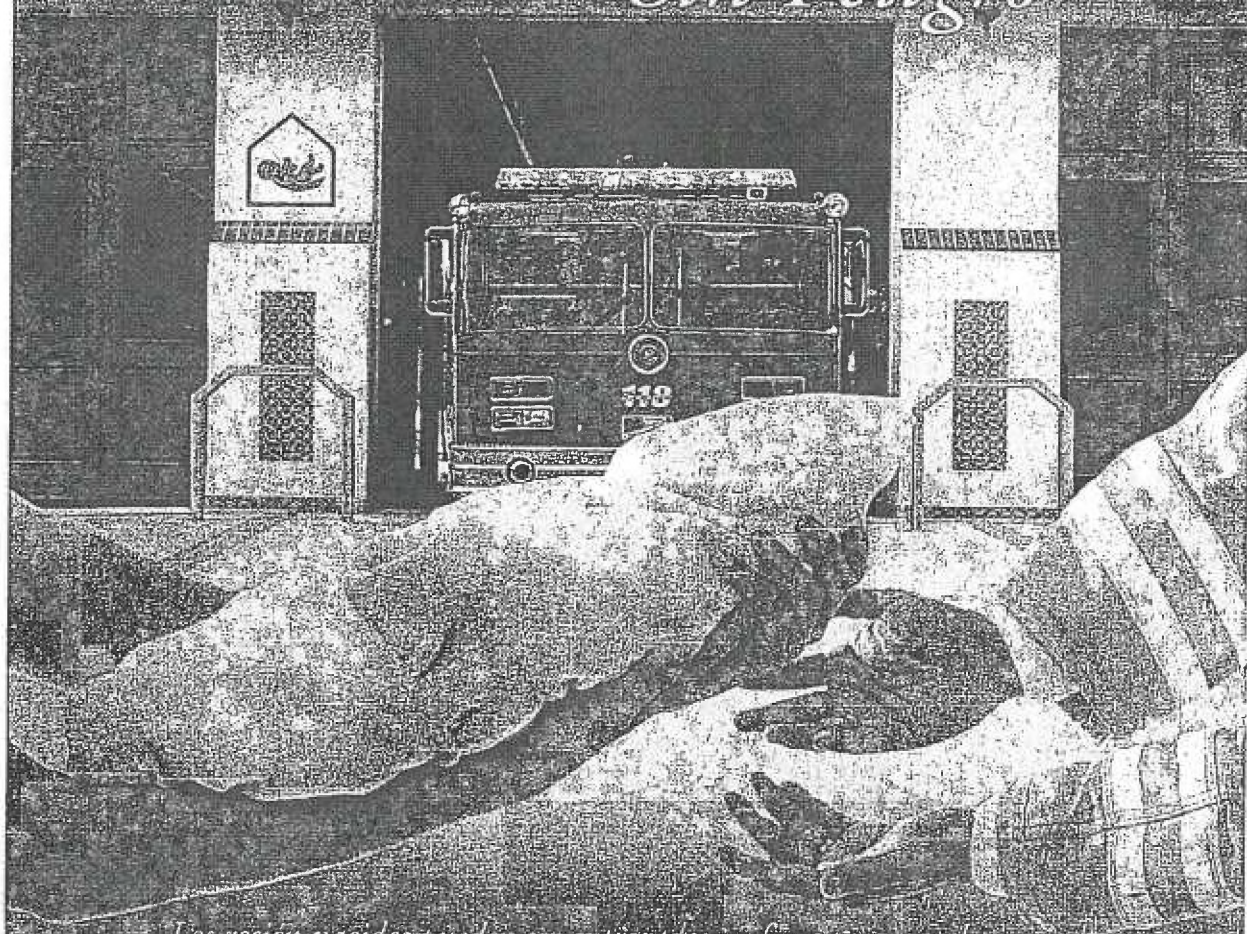
Why is California doing this?

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 number 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 Angeles.

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Angeles: 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 u otras personas con custodia legal a cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin preocuparse.

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 Angeles. 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 Angeles 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 periodo 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.

ATTACHMENT E (COUNTY EXHIBIT J)

EXHIBIT J

GLOSSARY OF TERMS AND ACRONYMS/DEFINITIONS

Accrued Expenditures – The charges incurred by the grantee during a given period requiring the provision of funds for:

- (1) Goods and other tangible property received;
- (2) Services performed by employees, contractors, sub grantees, subcontractors, and other payees; and
- (3) Other amounts becoming owed under programs for which no current services or performance is required, such as annuities, insurance claims, and other benefit payments.

Application - The process for collecting information for supporting a determination of eligibility.

Note: Equal Employment Opportunity (EEO) data must be collected on individuals during the application process (e.g., age, sex, race/ethnicity, and disability). (Ref: 20 CFR 663.105)

Assessment – Collecting and analyzing information to make judgments about the needs and learning progress of individuals or groups; also, techniques, devices, or instruments used to collect evidence, ranging from formal and standardized (such as TABE) to criterion-referenced tests (CRTs) to alternative (portfolios) to informal processes (such as observation checklists).

CalWORKs (Youth)– A Youth who is a Los Angeles County resident between the ages of 14-21 residing in a household that receives public benefits of cash aid through the California Work Opportunities and Responsibilities to Kids (CalWORKs) program.

Career Planning Exposure of individuals to various career options, through guest speakers, job shadowing, learning the use of Labor Market information, etc.

Case Management Procedures to plan, seek, coordinate and monitor services from a variety of agencies and staff on behalf of a client. A case manager shall use the assessment results to develop, with the active input of the youth client, an Individual Assessment (IA), coordinate services, advocate for the youth client, monitor the youth client's progress, and frequently reassesses the youth's progress and needs.

Certificate of Completion – A certificate is awarded in recognition of an individual's completion of the Los Angeles County Youth Jobs Program.

Corrective Action (DOL Regulations 29 CFR 99.105) - Action taken by the auditee that (1) corrects identified deficiencies, (2) produces recommended improvements, or (3) demonstrates that audit findings are either invalid or do not warrant auditee action.

Cost (OMB Circular A-87) - An amount as determined on a cash, accrual, or other basis acceptable to the Federal awarding or cognizant agency. It does not include transfers to a general or similar fund.

Cost Allocation Plan (CAP) (OMB Circular A-87) - Central service cost allocation plan, public assistance cost allocation plan, and indirect cost rate proposal.

Cost Objective (OMB Circular A-87) - A function, organizational subdivision, contract, grant, or other activity for which cost data is needed and for which costs are incurred.

County of Los Angeles Community and Senior Services Department (CSS), Department Head or designee and/or Board of Supervisors.

Credential A nationally recognized degree or certificate or state/locally recognized credential. Credentials include, but are not limited to, a high school diploma, GED, or other recognized equivalents, post-secondary degrees/certificates, recognized skill standards, and licensure or industry-recognized certificates. States should include all state education agency recognized credentials. In addition, states should work with local workforce investment boards to encourage certificates to recognize successful completion of the training services listed above that are designed to equip individuals to enter or re-enter employment, retain employment, or advance into better employment.

ATTACHMENT E (COUNTY EXHIBIT J)

Disadvantaged Youth - Subject to paragraph (3), the term "disadvantaged youth" means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the higher of:

- the poverty line; or
- 70 percent of the lower living standard income level.

Employment Readiness Skills The basic skills that assist an individual to find and sustain employment, such as, world of work awareness, labor market knowledge, career planning, job search techniques, leadership, allocating resources, team work, and interpersonal skills.

- **Equipment** (OMB Circulars A-21, A-87, A-122) - Tangible nonexpendable personal property, including exempt property charged directly to the award, having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. However, consistent with recipient policy, lower limits may be established. Equipment includes, but is not limited to, equipment acquired before the publication of these regulations and equipment transferred from prior years. A grantee may use its own definition of equipment provided that such definition at least includes all equipment defined above.

Foster Care Youth A youth under 18 years of age (to 21 years of age under specific circumstances) who is being provided 24-hour care and supervision by someone other than a parent/legal guardian in a location other than his or her own home.

GAAP (DOL Regulations 29 CFR 99.105) - Generally Accepted Accounting Principles. Accounting rules and procedures established by authoritative bodies or conventions that have evolved through custom and common usage. Has the meaning specified in generally accepted government auditing standards (GAGAS). [OMB Circular A-133] Issued by the American Institute of Certified Public Accountants (AICPA).

GAGAS (DOL Regulations 29 CFR 95.2) - Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States, which are applicable to financial audits.

Homeless (Stewart McKinney Homeless Assistance Act, Section 103) - An individual who lacks a fixed, regular, and adequate nighttime residence; and who has a primary nighttime residence that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); **or**
- An institution that provides a temporary residence for individuals intended to be institutionalized; or a public or private place not designed for, or ordinarily used as, regular sleeping accommodations for human beings.

Homeless Individual Any adult or youth who lacks a fixed, regular, adequate nighttime residence; or an adult or youth who has a primary nighttime residence that is:

- (A) A publicly or privately operated shelter for temporary accommodation (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
- (B) An institution providing temporary residence for individuals intended to be institutionalized, or
- (C) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The term "homeless" does not include a person imprisoned or detained pursuant to an Act of Congress or a State law.

Indirect Cost Rate The organization's central management and administrative functions, general expenses, and selected joint COSTS necessary to overall operations are normally identified as indirect costs and budgeted for and distributed through an indirect cost rate. These costs are not readily assignable to specific awards and activities because a direct relationship to cost objectives cannot be shown or would be somewhat arbitrary in nature.

Leverage Includes matching, cost sharing, and cash contributions. Leveraged resources can include a wide range of in-kind and non-WIA funded Benefits from personnel, volunteers, facilities, materials and direct participant costs paid from other

ATTACHMENT E (COUNTY EXHIBIT J)

public and private resources. Public resources can include co-enrollment in other federal funded programs, private grants, paid internships, supervisor hours, public education instructional services, donated materials, etc.

1) **Local Workforce Investment Area (LWIA)** LWIAs are Governor-designated administer sub-state areas that administer services under the Workforce Investment Act (WIA). Factors that are considered in designating these LWIAs include geographic location, population, and commonality of labor market areas.

Los Angeles County Workforce Investment Board (LACWIB) The Los Angeles County Workforce Investment Board (WIB) administers the Workforce Investment Act (WIA) programs in Los Angeles County.

Low Income An individual who falls within one or more of the following groups:

- Receives public assistance
- Meets federal poverty guidelines
- Homeless
- Foster child

Low-Income Individual – An individual who—

- Receives, or is a member of a family that receives, cash payments under a Federal, State, or local income-based public assistance program;
- Received an income, or is a member of a family that received a total family income, for the 6-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, cash payments under a Federal, State, or local income-based public assistance program, and old-age and survivors insurance benefits received under section 202 of the Social Security Act (42 U.S.C. 402)) that, in relation to family size, does not exceed the higher of:
 1. The poverty line, for an equivalent period; or
 2. 70 percent of the lower living standard income level, for an equivalent period;
- Is a member of a household that receives (or has been determined within the 6-month period prior to application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);
- Qualifies as a homeless individual, as defined in subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302);
- Is a foster child on behalf of whom State or local government payments are made; or
- In cases permitted by regulations promulgated by the Secretary of Labor, is an individual with a disability whose own income meets the requirements of a program described in the first or second criteria listed above, but who is a member of a family whose income does not meet such requirements.

Nonprofit Organization (OMB Circular A-122) - Any corporation, trust, association, cooperative, or other organization which (1) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (2) is not organized primarily for profit; and (3) uses its net proceeds to maintain, improve, and/or expand its operations. For this purpose, the term "nonprofit organization" excludes (a) colleges and universities; (b) hospitals; (c) State, local, and Federally recognized Indian tribal governments; and (d) those nonprofit organizations that are excluded from coverage of this circular in accordance with Paragraph 5. The organizations excluded from coverage are large and operate as commercial concerns for purposes of applicability of cost principles. They are listed in Attachment C to the circular.

OMB (DOL Regulations 29 CFR 97.3) - The United States Office of Management and Budget.

Orientation The process by which employment program staff describe the features and benefits of a workforce development program to potential applicants. This can be done individually or in groups.

Outcomes Another term for performance measurement criteria used to evaluate the effectiveness of a job training or placement program. Traditional criteria used to measure workforce development programs include number of job placements and percentage of retained employees after six months or one year.

ATTACHMENT E (COUNTY EXHIBIT J)

Outreach or Recruitment - An active effort to encourage individuals to avail themselves of program services.

Outlays (Expenditures) - Charges made to the project or program. Outlays are to be reported on an accrual basis. For reports prepared on an accrued basis, outlays are the sum of actual cash disbursements, the dollar amount of indirect expenses incurred, the value of in-kind contributions applied, and the net increase (or decrease) in the amounts owed by the grantee for goods and other property received, for services performed by employees, contractors, sub-grantees, subcontractors, and other payees, and other amounts becoming owed under programs for which no current services or performance are required, such as annuities, insurance claims, and other benefit payments.

Paid Work Experience is defined as paid work in a public or private sector designed to introduce Youth who have little or no experience to the work environment. Depending on the needs of the Youth, the average work experience will be up to 100 hours. The hourly rate for the Work Experience will be at the minimum wage rate.

Participant - An individual who has been determined to be eligible to participate in the Los Angeles County Youth Jobs Program. Participation shall be deemed to commence on the first day, following determination of eligibility, on which the individual began receiving training and subsidized employment.

Personal Enrichment Training - Up to 20 hours of paid work readiness and personal enrichment training which provides program participants with essential skills to boost and develop an understanding of workplace competencies needed to succeed in the workplace. The training may include components of Work Ethics, Career Exploration, Financial Literacy, and Life Skills.

Post-test Evaluation - A test administered to a participant at regular intervals during the program.

Pre-test A test used to assess a participant's basic literacy skills, which is administered to a participant up to six months prior to the date of participation, if such pre-test scores are available, or within 60 days following the date of participation.

Prior Approval (*OMB Circular A-122*) - Securing the awarding agency's permission in advance to incur cost for those items that are designated as requiring prior approval by the circular. Generally, this permission will be in writing. Where an item of cost requiring prior approval is specified in the budget of an award, approval of the budget constitutes approval of that cost.

Probation Youth Any person under the age of 18 years when he or she violates any law of this state as defined in WIC 601-608, the United States or any ordinance of any city or county of this state defining crime other than an ordinance establishing a curfew based solely on age, is within the jurisdiction of the juvenile court, which may adjudge such person to be a ward of the court.

Program Income - Gross income earned by a recipient or sub-recipient that is directly generated by a supported activity or earned as a result of the award. Program income includes, but is not limited to, income from fees for services performed, the use of rental of personal property acquired under federally funded projects, the sale of commodities or items fabricated under an award, and license fees and royalties on patents and copyrights.

Program income does not include the receipt of rebates, credits, discounts, etc. or interest earned on any of them. Reimbursement of rent payments by One Stop Center partners is not program income. It is a credit to the rent line item of the contract and is not to be treated as program income.

Questioned Costs (*OMB Circular A-133*) - Costs questioned by auditors that are not properly supported by accounting records, are related to a violation of law, regulation or contract, or appear unreasonable.

Responsible Entity is one that has been determined to: (1) have adequate financial resources to perform the contract or the ability to obtain such resources; (2) be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and business commitments; (3) have a satisfactory performance record; (4) have a satisfactory record of integrity and business ethics; (5) have the needed organization, experience, accounting, operational control and technical skills or ability to obtain them; (6) have adequate production, construction or technical equipment and needed facilities or the ability to obtain them; and (7) be both qualified and eligible to receive the award under applicable law and regulation."

Secretary's Commission On Achieving Necessary Skills (SCANS) Incorporates competencies, foundation skills and personal qualities that are needed for solid job performance.

ATTACHMENT E (COUNTY EXHIBIT J)

Subcontract A legal agreement which an organization, not signatory to the County contract agrees to provide activities/services or materials necessary to fulfill the original County agreement.

Successful Bidder means any agency having a Master Agreement and Work Order with County. For purposes of the Workforce Investment Act of 1998 (WIA) and the One-Stop System, the term includes local Workforce Investment Areas, sub-recipients, and/or administrative entities, their sub-recipients and vendors and any other entity that receives federal and/or state dollars for the operation of employment and training programs and delivery of services, either directly or indirectly.

Vendor – An entity responsible for providing generally required goods or services to be used in the grant program. Distinguishing characteristics of a vendor include items such as: providing the goods and services within normal business operations; providing similar goods or services to many different purchasers, including purchasers outside the grant program; and operating in a competitive environment. Any entity directly involved in the delivery of program services not available to the general public, with the exception of an employer providing on-the-job training, will be considered a sub-recipient rather than a vendor.

Vendors are not subject to the statutory and regulatory requirements of Federal Statutes. The vendor's responsibility is to meet the requirements of the award, as stated in the contract services called for by the agreement have been delivered and accepted.

Work Readiness Skills Goals – Work readiness skills include 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). They also encompass survival/daily living skills such as using the phone, telling time, shopping, renting an apartment, opening a bank account, and using public transportation. They also include positive work habits, attitudes, and behaviors such as punctuality, regular attendance, presenting a neat appearance, getting along and working well with others, exhibiting good conduct, following instructions and completing tasks, accepting constructive criticism from supervisors and co-workers, showing initiative and reliability, and assuming the responsibilities involved in maintaining a job. This category also entails developing motivation and adaptability, obtaining effective coping and problem-solving skills, and acquiring an improved self-image.

Worker's Compensation - Some form of legally acceptable worker's compensation must be provided for participants if they are engaged in any sponsored work activity while enrolled in the program.

For instances, other sponsored work activities (e.g., work experience or internships), where the service provider is the employer of record, such service provider shall provide compensation coverage through their compensation insurance carrier.

2)

Workforce Investment Area A combination of local areas that are partly or completely in a single labor market area, economic development region, or other appropriate contiguous sub area of a state, that is designated by the state under WIA Section 116(c).

Workforce Investment Board (WIB) A Local board appointed by the Los Angeles County Board of Supervisors in accordance with State criteria. The WIB sets policy for the workforce development system county-wide, and responsible for a variety of activities. The WIB is also formerly known as the Private Industry Council. The WIB must have a majority business representation and representation of each mandatory WorkSource/One-Stop partner (i.e.: EDD, DPSS, etc.).

**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 Subsections 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	<u>10,000</u>
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)	<u>\$24,000</u>

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

Exhibit K (Accounting, Administration and Reporting Requirements)

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

I. GOVERNING REGULATIONS AND POLICIES

- A. If this Contract indicates that Contractor may purchase Fixed Assets, Non-Fixed Assets and Supplies using Contract Funds, pursuant to Paragraph 9.5 (Fixed Assets, Non-Fixed Assets and Supplies), Contractor shall adhere to all Federal, State and County purchasing and fiscal policies, procedures and requirements. Regardless of the source of the Contract Funds (i.e., Federal, State or County/local monies), Contractor shall adhere to these purchasing, inventory and disposal requirements for all Fixed Assets, Non-Fixed Assets and Supplies which are defined in Section II (Fixed Asset, Non-Fixed Asset and Supplies), herein. Such requirements include, but are not limited to, the following:
 - 1.0 The requirements of this Exhibit M
 - 2.0 Administrative requirements, procurement standards and cost principles outlined in the applicable Office of Management and Budget Circulars (hereafter "OMB Circulars") and Code of Federal Regulations (hereafter "CFRs").
 - 3.0 Additional requirements which may be communicated to Contractor through County memorandum, directives, Change Notices, Contract Amendments, etc.
- B. Throughout this Exhibit M, references will be made to applicable OMB Circulars and CFRs. These references shall mean that Contractor shall follow the OMB Circulars and CFRs that apply to Contractor based on the type of Program being funded through this Contract (e.g., Area Agency on Aging Programs, Workforce Investment Act Programs, etc.) 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).
- C. The requirements outlined in this Section I, herein, are applicable to Fixed Assets and Non-Fixed Assets. When specific requirements related to Supplies are not addressed, Contractor shall exercise the same due diligence and care required for the purchase, inventory

and disposal of Fixed Assets and Non-Fixed Assets when Contractor uses Contract Funds to purchase Supplies.

- D. 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 and CFRs.

II. FIXED ASSET, NON-FIXED ASSET AND SUPPLIES

A. Fixed Asset

1.0 A Fixed Asset is an item which has all of the following attributes:

1.1 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.

1.2 Has a unit acquisition cost that is \$5,000 or more.

1.2.1 For purposes of determining how to classify items as either a Fixed Asset or a Non-Fixed Asset, a unit is defined as either one (1) item or a group of individual items which are purchased together as a bundle in order to be used together. As an example, a desktop computer system which includes a tower along with other peripheral items such as a monitor and/or printer or a laptop system which also includes additional peripherals are considered one (1) unit when each of these systems are purchased as a unit.

1.2.2 The unit acquisition cost is the net invoice price of a unit, which includes shipping costs and sales taxes, any applicable credits and discounts as well as the cost of any modifications, attachments, accessories, or auxiliary apparatus which are necessary to make this unit usable for the purpose for which it is acquired.

1.2.3 To determine the unit acquisition cost of an asset, consider the following example: four (4) identical pieces of equipment, which cost \$3,000 each, totaling \$12,000 would not meet the \$5,000 unit acquisition cost threshold.

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

1.4 Is used to conduct Contractor's business in the performance of the Work required under this Contract. Such asset must provide a direct benefit to the Program and Services.

1.5 Is either purchased with Contract Funds and/or was acquired by Contractor under a Predecessor Agreement(s) for the same/similar purpose as this Contract. Such purchases must be allowable and allocable under the requirements of this Contract. For purposes of this Contract, a Predecessor Agreement(s) shall mean a contract between County and Contractor that was executed prior to this Contract for the same/similar Program Services as this Contract, and such contract has expired or terminated.

B. Non-Fixed Asset

1.0 A Non-Fixed Asset is an item which has all of the following attributes:

1.1 Does not meet all of the requirements for a Fixed Asset, which are outlined above in Sub-section II.A (Fixed Asset), herein, and includes, but is not limited to, computers, laptops, copier machines, printers, etc.

1.2 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(s).

1.2.1 For purposes of determining how to classify items as either a Fixed Asset or a Non-Fixed Asset, a unit is defined as either one (1) item or a group of individual items which are purchased together as a bundle in order to be used together. As an example, a desktop computer system which includes a tower along

with other peripheral items such as a monitor and/or printer or a laptop system which also includes additional peripherals are considered one (1) unit when each of these systems are purchased as a unit.

1.2.2 The unit acquisition cost is the net invoice price of a unit, which includes shipping costs and sales taxes, any applicable credits and discounts as well as the cost of any modifications, attachments, accessories, or auxiliary apparatus which are necessary to make this unit usable for the purpose for which it is acquired.

1.2.3 To determine the unit acquisition cost of an asset, consider the following example: four (4) identical pieces of equipment, which cost \$3,000 each, totaling \$12,000 would meet the requirements for the unit acquisition cost described herein.

1.3 Is used to conduct Contractor's business in the performance of the Work required under this Contract. Such asset must provide a direct benefit to the Program and Services.

1.4 Is either purchased with Contract Funds and/or was acquired by Contractor under a Predecessor Agreement(s). Such purchases must be allowable and allocable under the requirements of this Contract.

C. Usage of the Term "Assets"

1.0 Throughout the entirety of this Exhibit M, references will be made to items that are classified as either Fixed Assets or Non-Fixed Assets. The use of these classifications is based on whether the item meets the requirements outlined in Sub-section II.A (Fixed Asset), herein, and Sub-section II.B (Non-Fixed Asset), herein. In some instances where a specific type of asset is being discussed or addressed, the appropriate term will be used to identify that asset as either a Fixed Asset or a Non-Fixed Asset. Otherwise, any usage of the specific term "Assets" shall mean that the requirements apply to both Fixed Assets and Non-Fixed Assets, collectively (hereafter "Assets").

D. Types of 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 and Attachments include new rooms, new roof, 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 unit.
 - 2.1 Requirements for Area Agency on Aging (AAA) Programs, Adult Protective Services Program, Dispute Resolution Program and Workforce Investment Act (WIA) Programs
 - 2.1.1 Improvements and Betterments enhance the condition of a unit (e.g., extend life, increase service capacity, lower operating costs, etc.).
 - 2.1.2 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 in Sub-section II.A (Fixed Asset), herein.
 - 2.1.3 Examples of Fixed Assets that might be improved or bettered include roads, bridges, curbs and gutters, tunnels, parking lots, streets and sidewalks, drainage and lighting systems, etc.
 - 2.2 Requirements Exclusive to Community Services American Indian Block Grant Program

- 2.2.1 For purposes of the Community Services American Indian Block Grant Program, Improvements and Betterments shall only include low-cost residential weatherization or other energy-related home repairs.
 - 2.2.2 Such Improvement or 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 in Sub-section II.A (Fixed Asset), herein.
 - 2.2.3 The purchase or improvement of land or the purchase, construction or permanent improvement of any building or other facility except as provided in this Sub-section II.D.2.2, herein, is strictly prohibited.
- 3.0 Intangible Property is an item which lacks physical substance but gives valuable rights to the owner; and, such item can be either a Fixed Asset or a Non-Fixed Asset.
 - 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 patents, copyrights, leases, computer software, etc.
 - 4.0 Hardware consists of tangible equipment including computers, printers, terminals, etc.; and, such item can be either a Fixed Asset or a Non-Fixed Asset.

E. Supplies

- 1.0 Supplies are items which have all of the following attributes:
 - 1.1 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).

- 1.2 Have a unit acquisition cost that is less than \$500, or less than \$300 if purchased under a Predecessor Agreement(s).
- 1.3 Are necessary for Contractor to effectively and efficiently carry out the objectives, tasks and activities of the Program and provide Services hereunder.
- 1.4 Are either purchased with Contract Funds and/or were acquired by Contractor under a Predecessor Agreement(s).

III. GENERAL REQUIREMENTS FOR ASSETS AND SUPPLIES

- A. The following requirements are applicable to both Assets and Supplies. In some areas, the requirements are only applicable to Assets; however, Contractor shall exercise due diligence in the use and maintenance of Supplies when specific requirements related to Supplies are not addressed.
- B. Management of Assets and Supplies
 - 1.0 To prevent misuse, destruction or theft, Contractor shall exercise due diligence in its care, use, maintenance, protection and preservation of all Assets and Supplies.
 - 2.0 During the entire term of this Contract, Contractor is responsible for the replacement or repair of Assets 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 Assets and Supplies) herein.
 - 3.0 Contractor shall not use Assets or Supplies for personal gain or to usurp the competitive advantage of a privately-owned business entity.
 - 4.0 Contractor shall use Assets and Supplies for the purpose for which they are intended under this Contract. When no longer needed for that purpose, Contractor shall treat them as prescribed in Section X (Disposal Requirements for Assets and Supplies), herein.
 - 5.0 Contractor may share use of Assets or allow use by other programs upon prior 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 where the crime occurred by telephone (and confirmed in writing by filing a police report) within twenty-four (24) hours of occurrence or discovery of such incident.

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, as described below, which shall be provided to County's Contract Manager.

1.3 Incident Report

1.3.1 At a minimum, Contractor's Incident Report of such loss shall contain the following elements:

1.3.1.1 Identification of the Asset(s)

1.3.1.2 Recorded value(s) of each Asset

1.3.1.3 Facts relating to the crime

1.3.1.4 A copy of the police report, where appropriate

1.3.2 Contractor shall retain the Incident Report pursuant to the record retention 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.

IV. DEPRECIATION AND CAPITALIZATION POLICY FOR ASSETS

- A. Any Asset purchased with the Federal portion of Contract Funds, if any, and/or with Contractor's required matching contributions may not be depreciated or capitalized.
- B. Any Asset 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.

V. TITLE TO ASSETS

A. Assets Purchased with Contract Funds

- 1.0 Unless otherwise required by Federal or State laws or regulations, or as agreed upon in writing by the parties, Assets remain the property of County until such time as County approves the final disposition of the Assets (i.e., County retains title to all Assets used in the performance of this Contract).

B. Assets Purchased Under a Predecessor Agreement(s)

- 1.0 Unless otherwise required by Federal or State laws or regulations or as agreed upon in writing by the parties, Assets purchased under a Predecessor Agreement(s) remain the property of County until such time as County approves the final disposition of these Assets (i.e., County retains title to all Assets purchased under a Predecessor Agreement(s)).

C. Title to Vehicles

- 1.0 County retains title to vehicles that are purchased with Contract Funds. County also retains title to vehicles purchased with funds from a Predecessor Agreement(s), when such vehicles are currently in the possession of Contractor.
- 2.0 Vehicles shall be registered only in the name of Contractor. Such registration applies to all vehicles which are purchased with Contract Funds as well as those purchased under a Predecessor Agreement(s), when such vehicles are currently in the possession of Contractor.

- D. Throughout the entire term of this Contract, Contractor shall adhere to the following:
 - 1.0 Contractor shall provide current, ongoing and adequate insurance covering all vehicle drivers pursuant to Paragraph 8.24 (General Provisions for all Insurance Coverage) and Paragraph 8.25 (Insurance Coverage) of this Contract.
 - 2.0 Contractor shall ensure that each vehicle driver has a current, valid California driver's license.

VI. APPROVAL REQUIREMENTS FOR PURCHASING ASSETS

- A. Necessary Prior Approval to Purchase Fixed Assets for Adult Protective Services Program, Community Services American Indian Block Grant Program and Dispute Resolution Program
 - 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 and 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 in accordance with the applicable OMB Circulars and CFRs.
 - 3.0 Contractor shall submit a written request to County's Contract Manager to obtain authorization to purchase such Fixed Asset. Contractor shall submit this written request at least thirty (30) days in advance of the date/time that Contractor intends to purchase the Asset.
 - 4.0 Upon receiving written approval from County, Contractor shall ensure that all Fixed Asset purchases are also approved in writing by Contractor's Board of Directors or its Authorized Representative, before the Fixed Asset is purchased.
 - 5.0 County's approval of Contractor's Budget (as defined in Exhibit J (Definitions)) does not constitute approval for Contractor to purchase the Fixed Asset. Once all written approvals have been received, Contractor shall then include the Fixed Asset in its Budget and proceed with the purchase.

6.0 Examples

- 6.1 If Contractor intends to purchase an item, which costs \$5,700 and otherwise meets the definition of a Fixed Asset, and Contractor will use \$2,500 of Contract Funds to purchase this Fixed Asset, prior approval is not required.
- 6.2 If Contractor intends to purchase an item, which costs \$5,700 and otherwise meets the definition of a Fixed Asset, and Contractor will use \$5,700 of Contract Funds to purchase this Fixed Asset, prior written approval is required.

B. Necessary Prior Approval to Purchase Assets for Area Agency on Aging (AAA) Programs

- 1.0 Prior to purchasing or acquiring any Assets, Contractor must receive written approval from County authorizing the purchase when Contractor will use more than \$500 of Contract Funds to purchase the Asset.
- 2.0 Prior approval is not required for the purchase of Supplies. However, Contractor shall adhere to all of the other procurement policies governing the purchase of Supplies as outlined herein and in accordance with the applicable OMB Circulars and CFRs.
- 3.0 Contractor shall submit a written request to County's Contract Manager to request authorization to purchase such Asset. Contractor shall submit this written request at least thirty (30) days in advance of the date/time that Contractor intends to purchase the Asset.
- 4.0 Upon receiving written approval from County, Contractor shall ensure that all Asset purchases are also approved in writing by Contractor's Board of Directors or its Authorized Representative, before the Asset is purchased.
- 5.0 County's approval of Contractor's Budget does not constitute approval for Contractor to purchase the Asset. Once all written approvals have been received, Contractor shall then include the Asset in its Budget and proceed with the purchase.

6.0 Examples

- 6.1 If Contractor intends to purchase an item which costs \$475 and Contractor will use \$475 of Contract Funds to purchase this item, prior approval is not required.
- 6.2 If Contractor intends to purchase an item, which costs \$550 and Contractor will use \$500 of Contract Funds to purchase this item, prior written 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 and 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 in accordance with the applicable OMB Circulars and CFRs.
- 3.0 Contractor shall submit a written request to County's Contract 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 Upon receiving written approval from County, Contractor shall ensure that all Fixed Asset purchases are also approved in writing by Contractor's Board of Directors or its Authorized Representative, before the Fixed Asset is purchased.
- 5.0 County's approval of Contractor's Budget does not constitute approval for Contractor to purchase the Fixed Asset. Once all written approvals have been received, Contractor shall then include the Fixed Asset in its Budget and proceed with the purchase.

6.0 Examples

- 6.1 If Contractor intends to purchase an item which costs \$4,500 and Contractor will use \$4,500 of Contract Funds to purchase this item, prior approval is not required.
- 6.2 If Contractor intends to purchase an item which costs \$5,100 and Contractor will use \$4,500 of Contract Funds to purchase this item, prior written approval is required.

VII. APPROVAL REQUIREMENTS FOR DISPOSING OF ASSETS

A. Necessary Prior Approval to Dispose of Assets for Adult Protective Services Program, Community Services American Indian Block Grant Program, Dispute Resolution Program and WIA Programs

- 1.0 Contractor shall obtain prior written approval from County in order to sell, transfer, donate or otherwise dispose of Assets with a residual or current fair market value of \$500 or more 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 on how to request prior approval from County, and Contractor shall adhere to all County requirements for the disposal of these Assets.
- 3.0 Prior to the sale, transfer, donation or other disposal of any Asset consisting of electronic equipment with digital memory or storage capability, Contractor shall send a written notification to County's Contract Manager attesting that the device's memory and/or any information stored in the memory is permanently removed, erased and cleared of all Contract, Program and Client 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), 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.

- 4.0 Upon receipt of written approval from County, Contractor shall follow all guidelines to dispose of Assets and Supplies pursuant to Section X (Disposal Requirements for Assets and Supplies), herein.

B. Necessary Prior Approval to Dispose of Assets for AAA Programs

- 1.0 Contractor shall obtain prior written approval from County (and State) in order to sell, trade-in, discard or transfer to another entity any Asset (regardless of the residual or current fair market value of the Asset). Contractor shall not dispose of any Asset unless/until Contractor receives such written approval.
- 2.0 Contractor shall contact County's Contract Manager to obtain specific instructions on how to request prior approval, and Contractor shall adhere to all County and State requirements for the disposal of these Assets.
- 3.0 Prior to the sale, trade-in, discard or transfer of any Asset consisting of electronic equipment with digital memory or storage capability, Contractor shall send a written notification to County's Contract Manager attesting that the device's memory and/or any information stored in the memory is permanently removed, erased and cleared of all Contract, Program and Client 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), 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.
- 4.0 Upon receipt of written approval from County, Contractor shall follow all guidelines to dispose of Assets and Supplies pursuant to Section X (Disposal Requirements for Assets and Supplies), herein.

C. Necessary Prior Approval to Use Program Income from Sales Revenue

- 1.0 Contractor shall obtain prior written approval from County in order to use Program Income derived from revenue earned

after the sale of Assets pursuant to Exhibit K (Accounting, Administration and Reporting Requirements).

- 2.0 Contractor shall contact County's Program Manager to obtain specific instructions on how to request prior approval from County, and Contractor shall adhere to all County requirements for the use of such Program Income.

VIII. PURCHASE REQUIREMENTS FOR ASSETS

- A. The following requirements are applicable only to Assets. However, Contractor shall exercise due diligence in the purchase of Supplies when specific requirements related to Supplies 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 A cost analysis includes the review and evaluation of each element of cost to determine its reasonableness, allocability and allowability. Contractor shall ensure that the cost of the Assets are allowable and allocable pursuant to the cost principles outlined in the applicable OMB Circulars and CFRs.
 - 1.2 A 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 an Asset are included in the Asset's true actual cost (i.e., the true actual cost of the Asset should include all amounts to be incurred to acquire and to ready the Asset for its intended use). The true actual cost shall also include any

deductions for discounts, refunds, adjustments, rebates and allowances received by Contractor as well as any charges for taxes, delivery/shipping, etc.

- 5.0 Contractor shall only charge the true actual cost of the Asset to this Contract. If the true 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, program or contract.

C. Competitive Procurement

- 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 and CFRs.
- 2.0 Contractor shall ensure that it obtains and thoroughly evaluates a minimum of three (3) written competitive bids from the best known sources prior to purchasing the Asset.
- 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 most responsible vendor whose bid is most responsive to the requirements outlined in the solicitation.
- 6.0 Sole Source Procurement (Non-competitive Procurement)
 - 6.1 Sole source procurement is the solicitation of a proposal from only one (1) source or after solicitation from 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 the applicable OMB Circulars and CFRs) and at least one (1) of the following applies:

- 6.2.1 The Asset is available only from a single source/vendor.
- 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.
- 6.3 The sole source procurement must be documented, and such documentation shall include a full justification providing an explanation as to why this non-competitive procurement method was used.
- 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 (i.e., performance required), including the minimum acceptable standards.
 - 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 as economically feasible, of Assets dimensioned in the metric system of measurement.
 - 7.6 Preference, to the extent possible and as economically feasible, for Assets that conserve natural resources, 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 the applicable OMB Circulars and CFRs.

D. Procurement Instrument

- 1.0 Contractor shall determine the type of procuring or contracting instrument to be used for the purchase. Such instrument may include purchase orders, fixed price contracts, cost reimbursable contracts, etc.
- 2.0 Contractor shall determine and use the most appropriate instrument for the particular procurement and such instrument shall promote the best interests of the Program.
- 3.0 "Cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting 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. Prior to reporting Assets on the Budget, Contractor shall receive written approval from County in order to purchase Assets as detailed in Section VI (Approval Requirements for Purchasing Assets), 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. 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.

4.4 In the event that the actual purchase price is 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.

5.0 Additional Documentation Requirements for AAA Programs

5.1 In addition to the documentation requirements outlined above, the following requirements shall also apply 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 Asset.

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 ASSETS

A. The following requirements are applicable only to 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 include a unique identifier 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 is responsible for ensuring that all Assets are tagged. As such, Contractor shall provide County full access to these Assets so that County can 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 shall document its activities. Contractor shall reconcile the results with Contractor's Asset accounting and inventory records.
- 2.0 Contractor shall investigate any difference(s) between quantities determined by the physical inspection and those shown in the accounting and inventory records to determine the causes of the difference(s).
- 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. Upon final disposition of the Assets, Contractor shall remove these Assets from its accounting and inventory records. Contractor shall continue to maintain the disposition records in accordance with the record retention requirements outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.

D. Inventory Reporting Using the Inventory Control Form and/or Inventory Letter

- 1.0 Annually, Contractor shall prepare a written report of all Assets, and shall submit such report to County's Contract Manager using the information provided herein.

1.1 Reporting Cumulative Assets

- 1.1.1 At the beginning of each Fiscal Year, Contractor shall prepare a cumulative report of all Assets which are currently in Contractor's possession. In the event that Contractor has properly disposed of Assets (according to the procedures outlined in this Exhibit M) then Contractor shall exclude those disposed Assets from this cumulative inventory report. Contractor shall use Exhibit N (Inventory Control Form), as described in Sub-section IX.D.2.0 (Inventory Control Form), herein, as the mechanism to report these Assets.

1.2 Reporting Current Fiscal Year Assets

1.2.1 As part of the annual Closeout process which is conducted at the end of each Fiscal Year, Contractor shall complete its report of all Assets purchased during that Fiscal Year (please refer to Exhibit A (Statement of Work) for additional details on the Closeout process).

1.2.2 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 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 County may require Contractor to submit 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 completed Inventory Control Form.

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 a Predecessor Agreement(s).

- 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 each Asset).
- 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 ASSETS AND SUPPLIES

- A. The following requirements are applicable to both Assets and Supplies. Additionally, Contractor shall exercise due diligence to dispose of Supplies when specific requirements related to Supplies are not addressed. Contractor shall ensure that it obtains prior written approval from County in order to dispose of Assets pursuant to Section VII (Approval Requirements for Disposing of Assets), herein.
- B. Consistent with Federal and State regulations, Contractor may dispose of Assets and Supplies pursuant to the guidelines reflected in this Exhibit M as well as in the applicable OMB Circulars and CFRs.
- C. For purposes of this Exhibit M, disposal shall include the sale, discard, transfer, donation, 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 obsolete, broken or irreparable.
 - 2.0 Surplus items are Assets which are no longer needed for the Program due to expiration or 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 to 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. For purposes of this Exhibit M, a conflict of interest may exist when the disposal of Assets involves certain individuals or entities who become the recipients of these Assets. These individuals and entities may include the following: Contractor employees; Contractor employees' family members; entities that conduct business or have a relationship with Contractor; Clients; etc.

E. Disposition of Assets upon Dissolution of Contractor's Operations, Expiration or Termination of Contract or Termination of Program

- 1.0 County reserves the right to determine the final disposition of the Assets when any of the following occurs:
 - 1.1 After dissolution of Contractor's operations
 - 1.2 Upon expiration or termination of this Contract
 - 1.3 When the Program, for which Assets were purchased, has ended
- 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 within the timeframe designated by County.
- 4.0 County reserves the right to require Contractor to transfer such Assets to another entity, including, but not limited to, State, County or another contractor.
- 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 ninety (90) days after expiration or termination of this Contract, notification of Contractor's dissolution or termination of the Program.

F. Supplies

- 1.0 Contractor shall compensate County for its share of the residual inventory of unused Supplies if the residual or 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 (1) or more of the following methods/resources to determine the current fair market value of an Asset:
 - 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/resources

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's Contract Manager 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 under this Contract.
 - 2.2 To a Federally or State-funded program.
- 3.0 After the transfer of an Asset, Contractor shall prepare an updated Inventory Control Form and shall 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). Contractor shall forward copies of these 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 Subsections 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 the 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 the donated Asset(s).
- 2.3.5 Name, signature and title of the recipient organization's authorized representative.

XI. NON-COMPLIANCE WITH PURCHASE, INVENTORY AND DISPOSAL REQUIREMENTS

- A. Contractor shall be under a continuing obligation throughout the entire term of this Contract to comply with the purchase, inventory and disposal requirements outlined in this Exhibit M and in the applicable OMB Circulars and CFRs.
- B. Contractor's non-compliance with these requirements shall subject Contractor to remedies which will be determined by County at County's sole discretion. Such remedies may include, but are not limited to, those actions noted in Paragraph 9.19 (Remedies for Non-Compliance) in this Contract. County may also impose the following remedies as warranted by the non-compliance:
 - 1.0 Disallow the cost for Assets purchased without prior written approval
 - 2.0 Require Contractor to remit payment for Assets which are not properly disposed or inventoried
 - 3.0 Remove those Assets from Contractor which are not properly maintained pursuant to the requirements outlined herein

XII. RECORDKEEPING

- A. Contractor shall retain 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 upon request.

ATTACHMENT H (COUNTY EXHIBIT O)

EXHIBIT O
(CHARITABLE CONTRIBUTIONS CERTIFICATION)

Watts Labor Community Action Committee
Contractor's Name T5832
Contract Number
10950 S. Central Avenue, Los Angeles, CA 90059
Address
95-2412869
Internal Revenue Service Employer Number Identification Number
C12644
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.

Timothy Watkins
Name of Authorized Representative (Print) 
Signature
President/CEO
Title of Authorized Representative (Print) 7/30/15
Date

MAIL TO:

Registry of Charitable Trusts
P.O. Box 903447
Sacramento, CA 94203-4470
Telephone: (916) 445-2021

WEB SITE ADDRESS:

<http://ag.ca.gov/charities/>

ANNUAL REGISTRATION RENEWAL FEE REPORT TO ATTORNEY GENERAL OF CALIFORNIA

Sections 12586 and 12587, California Government Code
11 Cal. Code Regs. sections 301-307, 311 and 312

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of \$800, plus interest, and/or fines or filing penalties as defined in Government Code section 12586.1. IRS extensions will be honored.



State Charity Registration Number 12644

Watts Labor Community Action Committee

Name of Organization

10950 S. Central Avenue

Address (Number and Street)

Los Angeles, CA 90059

City or Town, State and ZIP Code

Check if:

☐ Change of address

☐ Amended report

Corporate or Organization No. C0537683

Federal Employer I.D. No. 95-2412869

ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, 311 and 312) Make Check Payable to Attorney General's Registry of Charitable Trusts

Gross Annual Revenue	Fee	Gross Annual Revenue	Fee	Gross Annual Revenue	Fee
Less than \$25,000	0	Between 100,001 and \$250,000	\$50	Between \$1,000,001 and \$10 million	\$150
Between \$25,000 and \$100,000	\$25	Between \$250,001 and \$1 million	\$75	Between \$10,000,001 and \$50 million	\$225
				Greater than \$50 million	\$300

PART A - ACTIVITIES

For your most recent full accounting period (beginning 07 / 01 / 2013 ending 06 / 30 / 2014) list:

Gross annual revenue \$ 15,925,439 Total assets \$ 22,364,936

PART B - STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT

Note: If you answer "yes" to any of the questions below, you must attach a separate sheet providing an explanation and details for each "yes" response. Please review RRF-1 instructions for information required.

	Yes	No
1. During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof either directly or with an entity in which any such officer, director or trustee had any financial interest?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. During this reporting period, did non-program expenditures exceed 50% of gross revenues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. During this reporting period, were any organization funds used to pay any penalty, fine or judgment? If you filed a Form 4720 with the Internal Revenue Service, attach a copy.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. During this reporting period, were the services of a commercial fundraiser or fundraising counsel for charitable purposes used? If "yes," provide an attachment listing the name, address, and telephone number of the service provider.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. During this reporting period, did the organization receive any governmental funding? If so, provide an attachment listing the name of the agency, mailing address, contact person, and telephone number.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. During this reporting period, did the organization hold a raffle for charitable purposes? If "yes," provide an attachment indicating the number of raffles and the date(s) they occurred.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. Does the organization conduct a vehicle donation program? If "yes," provide an attachment indicating whether the program is operated by the charity or whether the organization contracts with a commercial fundraiser for charitable purposes.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9. Did your organization have prepared an audited financial statement in accordance with generally accepted accounting principles for this reporting period?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Organization's area code and telephone number (323) 563 - 5600

Organization's e-mail address _____

I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of authorized officer

Timothy Watkins

Printed Name

President/CEO

Title

Date

7/20/15

mailed 7/20/15

**EXHIBIT Q
(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 Q (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

Exhibit Q (Contract Management System – Contractor's Gateway Terms and Conditions of Use)

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 tsotso@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).

EWDD CONTRACT SUMMARY SHEET

To: The Office of the City Attorney, Room 920, CHE
 The Office of the City Clerk, Index Section, Room 395, CH
 The Office of Contract Compliance (OCC), Mail Stop #138, 1149 S. Broadway, 3rd fl.

From: Economic and Workforce Development Department
 Workforce Development System
 Contract Unit (213) 744-9001
 CU Analyst/Phone: Sucy Yu (213) 744-7212

Contract No: (T5832)

Unit: ☐ POD-FS ☐ POD-ED ☐ POD-WF ☐ PRE
☒ **POD-Youth** ☐ FAST ☐ Other:

Amendment No:

Amendment Amount: n/a

Amendment Authority: ☐ Administrative Code 14.8

☐ Council Amendment

Contractor Name: Watts Labor Community Action Committee

Council File No: 15-0704

Term of Contract: July 1, 2015 to June 30, 2016

Date of Approval: June 30, 2015

Funding Source: CalWORKs Fund: \$121,316
 County General Fund (NCC): \$121,317
 County Foster Youth Fund: \$17,331

Total Amount: \$259,964

Project Title: Los Angeles County Youth Jobs Program
 --- South

Line Item of Authority:
☐ Consolidated Plan, Year 40, ID:
☒ WIOA Annual Plan, Year 16, Line #15
☐ Other:

Operating Division Analyst-Phone: Nancy Herrera (213) 744-7159 M/S#854

PURPOSE OF AGREEMENT/AMENDMENT: TO PROVIDE DISADVANTAGED YOUTH WITH PAID PERSONAL ENRICHMENT AND WORK READINESS TRAINING AND PAID WORK EXPERIENCE

Contractor Address:		10950 S. Central Avenue, Los Angeles, CA 90059	
Contact/Title/Phone:		Elton Blake, Program Director, (323) 563-5683, eblake@wlcac.org	
Contract/Amendment Number	Authority	Description	Dollar Amount
Original	15-0704		\$259,964
		TOTAL AMOUNT (requires Council Amend if over \$25,000 cumulative)	\$259,964