



Office of the Los Angeles City Attorney
Hydee Feldstein Soto

MEMORANDUM

To: The Honorable Karen Bass
Mayor of Los Angeles
City Hall
Los Angeles, CA 90012

Honorable Members of City Council
City Of Los Angeles
City Hall
Los Angeles, CA 90012

From: Kyle Kirkpatrick

Date: August 13, 2025

Re: FY2024-2025 Worker's Rights Protection Grant

Transmitted herewith for Mayor and City Council consideration of grant funding for FY 2024-2025 totaling \$317,543 for a new grant program made available through the California State Department of Industrial Relations. Awarded through a competitive process, this grant will provide support for two Deputy City Attorney positions during the grant term of August 1, 2024 through July 31, 2025.

The Worker's Rights Protection Grant will be used to defray costs expended on state labor law enforcement and serve the public purpose to assist workers in combating wage theft, prevent unfair competition, and protect state revenue. Activities may include evidence gathering, investigations, coordination with community organizations and law enforcement entities, criminal and/or civil prosecutions, resolutions, appeals, and settlements. The grant only allows the reimbursement of staff salaries, fringe benefits, and costs associated with a financial audit.

The City Attorney's Office has a long history of working to reduce wage theft and exploitative labor practices impacting vulnerable populations both through civil and criminal enforcement. This Office plans to continue that practice by providing funding to the Criminal Branch and the newly formed Public Rights Branch while also working with internal City Department partners and external government and non-government agencies.



City of Los Angeles
Grant Award Notification and Acceptance

Recipient Department

This Grant Award is: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation/Renewal <input type="checkbox"/> Supplemental <input type="checkbox"/> Suballocation			
Grants Coordinator:	Kyle Kirkpatrick	E-Mail:	kyle.kirkpatrick@lacity.org Phone: 213-978-3928
Project Manager:	Kyle Kirkpatrick	E-Mail:	kyle.kirkpatrick@lacity.org Phone: 213-978-3928
Department/Bureau/Agency:	City Attorney	Date:	08/15/2024

Grant Information

Name of Grantor:		Pass Through Agency:	
CA State Department of Industrial Relations			
Grant Program Title:		Notification of Award Date:	
Workers' Rights Protection FY24-25		07/01/2024	
Funding Source (Public / State)	Grant Type:	Funds Disbursement:	Agency's Grant ID:
	Competitive/Discretionary	Reimbursement	CFDA#:
			Other ID#:
			eCivis ID#:
Match Requirement:	None	Amount:	\$0.00 %Match 0
Match Type:	N/A	Identify Source of Match:	
Fiscal Information:	Awarded Funds:	Match/In-Kind Funds:	Additional/Leverage Funds:
	\$ 317,543.00	\$ -	\$ 69,840.00
		Total Project Budget:	
		\$ 387,383.00	

Approved Grant Budget Summary

Category	Awarded	Match	Additional	Explanation
Personnel				
Deputy City Attorney III	\$ 170,037.00	\$ -	\$ -	100% FTE
Deputy City Attorney I	\$ 61,402.00	\$ -	\$ -	50% FTE
Contractual Services				
Audit	\$ 15,877.00	\$ -	\$ -	
Other				
City Attorney Personnel Fringe	\$ 70,227.00	\$ -	\$ 30,634.00	CAP 41 - 43.58%
City Attorney Personnel Indirect	\$ -	\$ -	\$ 39,206.00	CAP 41 - 16.94%
Total	\$ 317,543.00	\$ -	\$ 69,840.00	

Approved Project

Descriptive Title of Funded Project:		Workers' Rights Protection FY24-25	
Performance Period Start/End Dates (Month/Day/Year):		Citywide: yes	
Start:	08/01/2024	End:	07/31/2025
		Affected Council District(s): all	
		Affected Congressional District(s): all	
Purpose: Wage Theft Enforcement			
Identify Internal Partners (City Dept/Bureau/Agency):			
Identify External Partners: Los Angeles County District Attorney's Office, CA State DIR, Non-Profits			

Summary

Please provide a project summary including goals, objectives (metrics), specific outcomes, and briefly describe the activities that will be used to achieve

The Workers' Rights Protection Grant will be used to defray costs expended on state labor law enforcement and serve the public purpose to assist workers in combating wage theft, prevent unfair competition, and protect state revenue. Activities may include evidence gathering, investigations, coordination with community organizations and law enforcement entities, criminal and/or civil prosecutions, resolutions, appeals, and settlements. The grant only allows the reimbursement of staff salaries, fringe benefits, and costs associated with a financial audit.

Recommendations

Please provide a complete list of necessary actions for implementation, including acceptance of the award by the City, Controller instructions for fund and accounts set-up, coordination of project activities (such as contract and position authorities).

1. AUTHORIZE the City Attorney, or designee, to:
 - a. Approve the Standard Agreement with the California State Department of Industrial Relations for the period of August 1, 2024 to July 31, 2025 subject to the approval of the City Attorney as to form;
 - b. Accept the grant award in the amount of \$317,543 from the California State Department of Industrial Relations;
 - c. Authorize the City Attorney, or designee, to issue a Request for Proposal to select an organization to perform the independent financial audit and upon final selection, negotiate, and execute a service agreement up to the amount of \$15,877;
 - d. Prepare Controller instructions for any necessary technical adjustments, subject to the approval of the City Administrative Officer and instruct the Controller to implement the instructions.
2. AUTHORIZE the Controller to:
 - a. Establish a receivable within Fund 368 in the amount of \$317,543 from the California State Department of Industrial Relations;
 - b. Establish a new appropriation account within Fund 368 as follows:
Account 12C790 – Workers Rights Protection FY24/25 - \$317,543
 - d. TRANSFER up to \$231,439 from Fund 368, Department 12, Account 12C790 –Workers Rights Protection FY24/25 to Fund 100, Department 12, Revenue Source 5427 - Reimbursement from Grants for salary expenses of two (2) grant reimbursed regular authorities;
 - e. TRANSFER up to \$70,227 from Fund 368, Department 12, Account 12C790 –Workers Rights Protection FY24/25 to Fund 100, Department 12, Revenue Source 5346 – Related Cost Reimbursement from Grants as reimbursement for City Attorney fringe benefits and indirect costs related to the project.

Fiscal Impact Statement

Please describe how the acceptance of this grant will impact the General Fund. Provide details on any additional funding that may be required to implement the project/program funded by this grant.

The total cost of the Workers' Rights Protection FY24/25 is \$387,383 of which \$317,543 will be reimbursed by the California State Department of Industrial Relations. The General fund contribution is \$69,840 in fringe and related costs (CAP 41) which are already included in the City's adopted budget.

Acceptance Packet

The above named Department has received an award for the Grant Program identified above, accepts full responsibility for the coordination and management of all Grant funds awarded to the City, and will adhere to any policies, procedures and compliance requirements set forth by the Grantor and its related agencies or agents, as well as those of the City, and its financial and administrative departments. The following items comprise the Acceptance Packet and are attached for review by the CAO Grants Oversight Unit:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Grant Award Notification and Acceptance | <input type="checkbox"/> Copy of Award Notice |
| <input checked="" type="checkbox"/> Grant Project Cost Breakdown (Excel Document) | <input checked="" type="checkbox"/> Copy of Grant Agreement (if applicable) |
| <input checked="" type="checkbox"/> Detail of Positions and Salary Costs (Excel Document) | <input type="checkbox"/> Additional Documents (if applicable) |

Department Head Name:

Department Head Signature:

Date:

Barak Vaughn

8/13/2025

For CAO Use Only

The Office of the City Administrative Officer, Grants Oversight Unit has reviewed the information as requested, and has determined that the Acceptance

- ☐ Complete The Acceptance Packet has been forwarded to appropriate CAO analyst
- ☐ Returned to Department (Additional information/documentation has been requested.
- ☐ Flagged (See comments below.)

Comments:

CAO Grants Oversight Unit Signature:

Date:

Grant Name: Worker's Rights Protection FY24-25		Department:			Comments
Grant Project Breakdown		Grant Funds	Additional Costs**		
			City Funds	Non-City Funds	Total
<u>Salaries</u>					
1010 Salaries General		231,439			231,439
1020 Salaries Grant Reimbursed					-
1070 Salaries As Needed					-
1090 Overtime					-
Salaries Total:		231,439	-	-	231,439
<u>CAP 41</u>					
<u>Related Costs*</u>		<u>Rate</u>			
Fringe Benefits	43.58%	70,227	30,634		100,861
Central Services	12.60%		29,161		29,161
Dept Admn	4.34%		10,044		10,044
Related Costs Total:		70,227	69,840	-	140,067
<u>Expense</u>					
2120 Printing & Binding					-
2130 Travel					-
3040 Contractual Services- Audit		15,877			15,877.00
3310 Transportation					-
4160 Governmental Meetings					-
6010 Office Supplies					-
6020 Operating Supplies					-
7300 Equipment					-
Other-					-
Expenses Total:		15,877	-	-	15,877
Grand Total:		317,543	69,840	-	387,383

*Please use the full Cost Allocation Plan (CAP) rates unless disallowed by the Grantor. CAP rates should be applied to Gross Salaries (including Compensated Time Off.)

**Other sources of funding. Please indicate whether these funds are part of a match requirement and whether they are already provided or new funding is required.

Department: City Attorney**Project Name: Worker's Rights Protection FY24-25****Other Funding Sources****City****Non-City**

Job Classification	Total	New	Existing	Grant Funding		Reimbursable*		Non-Reimbursable**		Non-City		Comments
				No.	Cost	No.	Cost	No.	Cost	No.	Cost	
Deputy City Attorney III	1		1	1	170,037.00							
Deputy City Attorney I	1		0.5	0.5	61,402.00							

Total: 2 0 1.5 1.5 231,439 0 - 0 0 0 0

Indicate classification code by each position and percentage of time spent on this grant. The amounts shown here should only reflect salary costs. Related costs (fringe benefits, department administration and central services) are separate and when combined with salaries, will result in the full costs for personnel. *Reimbursable costs are savings to the City. These costs would include all currently City-funded positions working for the specified grant program activities that will be reimbursed by grant funds.

**Non-reimbursable costs may not be reimbursed by the Grant but could be used as a Match or as additional costs needed to enhance the program.

GRANT AGREEMENT COVER SHEET

NAME OF GRANT PROGRAM Wage Theft Grant Program		GRANT NUMBER 23WREG-05
GRANTEE NAME Los Angeles City Attorney's Office		
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER 95-6000735	TOTAL GRANT AMOUNT NOT TO EXCEED \$317,543.00	
START DATE: 8/1/2024	END DATE: 10/31/2025	

This legally binding Grant Agreement, including this cover sheet and Exhibits attached hereto and incorporated by reference herein, is made and executed between the State of California, Department of Industrial Relations (DIR) and Los Angeles City Attorney's Office (the "Grantee").

Exhibit A – Grant Provisions

This Agreement is of no force or effect until signed by both parties. Grantee shall not commence performance until it receives written approval from DIR.

STATE AGENCY NAME Department of Industrial Relations		GRANTEE'S NAME (PRINT OR TYPE) Los Angeles City Attorney's Office	
SIGNATURE OF DIR'S AUTHORIZED SIGNATORY:		SIGNATURE OF GRANTEE	
TITLE Staff Services Manager II	DATE	TITLE	DATE
STATE AGENCY ADDRESS 1515 Clay Street, Suite 901 Oakland, CA 94612		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE) 200 N. Main Street, Room 800 Los Angeles, CA 90012	
CERTIFICATION OF FUNDING			
AMOUNT ENCUMBERED BY THIS AGREEMENT \$317,543.00	PROGRAM 6105010LA1	PROJECT	ACTIVITY
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$ 0.00	FUND TITLE Labor and Workforce Development Fund		FUND NO. 3078
TOTAL AMOUNT ENCUMBERED TO DATE \$317,543.00	(OPTIONAL USE)		CHAPTER STATUTE
APPR REF 1011	ACCOUNT/ALT ACCOUNT 5432000	REPORTING STRUCTURE 73505002	SERVICE LOCATION 51025 FISCAL YEAR (ENY) 2023

WORKERS' RIGHTS ENFORCEMENT GRANT AGREEMENT

EXHIBIT A

A. GRANT PROVISIONS

In July 2023, per AB102, the state of California appropriated \$18 million to the Department of Industrial Relations (hereinafter referred to as "DIR") to implement a Workers' Rights Enforcement Grant Program ("WREG"). The California Labor Commissioner's Office (hereinafter referred to as "LCO" and "Grantor") will administer this grant program.

The WREG will provide grant funds totaling \$8,550,000 in Year 1 (2024-2025) to eligible public prosecutors to defray costs expended on state labor law enforcement and assist workers in combating wage theft, preventing unfair competition, and protecting state revenue. Eligible "public prosecutor" is defined as a district attorney, a city attorney, a county counsel, or any other city or county prosecutor who has established an office or division of workers' rights enforcement.

The funding for this grant program comes from the California Labor and Workforce Development Fund in the annual budget bills which allocated a total of \$18 million across two budget years - Year 1 (2024- 2025) and Year 2 (2025-2026)). This Grant Agreement will provide grant funding totaling \$8,550,000 for Year 1 (2024-2025). The funding for the WREG shall only cover staff salaries and benefits, which will support activities related to the enforcement of state labor laws. Up to 5% of grant award amount may be used to pay for the administrative cost of the annual audit.

This Grant Agreement is entered into by and between the LCO and the Los Angeles City Attorney's Office, in the State of California, duly organized, existing, and acting pursuant to the laws thereof (hereinafter referred to as the "Grantee"), which parties do hereby agree as follows.

As the Grantor, LCO shall provide funding from the Labor and Workforce Development Fund to the Grantee to assist with fulfilling the WREG objectives.

The parties agree to comply with all the requirements and conditions stated herein as well as all commitments identified in the WREG for the program funding period of August 1, 2024 - July 31, 2025.

B. GRANT SUMMARY AND AMENDMENTS

1. Grant Title: Workers' Rights Enforcement Grant Program ("WREG")
2. Total Grant Amount: **\$317,543.00.**

C. GRANT PARTIES AND CONTACT INFORMATION

Correspondence regarding this project shall be directed to:

LCO Grant Manager: Cindy Elias

Title: Special Counsel

Address: 455 Golden Gate Avenue, 9th Floor, San Francisco, CA 94102

Phone: 415-703-4814

Email: WageTheftGrant@dir.ca.gov

Grantee Liaison: Los Angeles City Attorney's Office

Title: Kyle Kirkpatrick, Grant Director

Address: 200 N. Main Street, 8th Floor, Los Angeles, CA 90012

Email: kyle.kirkpatrick@lacity.org

If the LCO Grant Manager identified above changes, LCO will notify the Grantee Liaison of said change and provide the new contact information. If the Grantee Liaison identified above changes, the Grantee Liaison will notify the LCO Grant Manager of said change and provide the new contact information.

D. TIME PERIOD

The grant funding period will be from August 1, 2024 - July 31, 2025.

The Labor Commissioner retains the authority to terminate or reduce the grant amount at her sole discretion.

E. DUTIES AND REQUIREMENTS

This section defines the respective duties and requirements of LCO and the Grantee in implementing the WREG.

1. LCO Role

The LCO is responsible for the following:

- a. Reviewing and approving the Payee Data Record (STD 204) Form, and disbursing grant funds to the Grantee.
- b. Reviewing the independent audit conducted by the Grantee.

2. The Grantee Role

The Grantee is responsible for:

- a. Hiring an outside independent auditor to determine the grant funds awarded are used for the sole purpose detailed by the Grantee in their grant application and as approved and awarded by the LCO. The Grantee may

use up to 5% of the grant award to pay for the administrative cost of the annual audit.

- b. Maintaining an accounting system for grant fund expenditures that conforms to generally accepted accounting principles and practices.
- c. Ensuring the staff funded for this grant program and working in the grant program have a timekeeping system in place to support and substantiate the work performed in the WREG.
- d. Completing and submitting an Annual Impact Report to the LCO by July 31, 2025. The Annual Impact Report will detail results for the year including but not limited to data on number of investigations; prosecutions criminal/civil; convictions; judgements; restitution ordered and collected; and a narrative summarizing the annual accomplishments with the funds awarded.
- e. Returning to the LCO by October 31, 2025, any grant funds awarded from Year 1 (August 1, 2024 to July 31, 2025) that remain unused as of July 31, 2025.
- f. Completing an annual independent audit of the grant award program for Year 1 (2024-2025) and submitting the completed audit to the LCO on or before October 31, 2025, via email to the LCO at WageTheftGrant@dir.ca.gov.
- g. Returning to the LCO by November 30, 2025, any grant funds determined by the independent audit to have been improperly spent.

F. FISCAL ADMINISTRATION

1. Budget

- a. The grant funding period for participating Grantees will be from August 1, 2024 - July 31, 2025. The maximum amount of this Grant is \$317,543.00.
- b. The only expenses allowed for the grant funds will be for staff salaries and benefits (i.e. attorney investigator, paralegal, forensic accountant, support staff). No other expenses are allowed.
- c. The Grantee may use 5% of the grant award to pay for the administrative cost of the annual audit.

2. Grant Disbursements and Return of Funds

The Grantee must:

- a. Complete and sign the Payee Data Record (STD 204 and/or STD 205) Form and send to the LCO email address at WageTheftGrant@dir.ca.gov by the designated date provided by the LCO.
- b. Grant funds will be disbursed to Grantee prior to the commencement of the Year 1 (2024-2025) funding period which is August 1, 2024 – July 31, 2025.
- c. Any grant funds awarded from Year 1 (August 1, 2024 to July 31, 2025) that remain unused as of July 31, 2025, shall be returned to the LCO by

October 31, 2025 unless the LCO authorizes Grantee to use the unused grant funds.

- i. The Grantee must seek approval from the LCO to encumber unused grant funds from Year 1 with a plan and budget on how the unused funds will be used consistent with the goals outlined in the WREG. The encumbrance plan shall be submitted to the LCO by October 31, 2025. If the LCO does not approve the encumbrance plan submitted, Grantee shall return any and all unused grant funds, as of July 31, 2025, to the LCO by November 30, 2025.
- ii. If the unused funds from Year 1 are not encumbered after the extended period of time requested by Grantee and agreed upon the LCO, then said funds shall be returned to the LCO within ten (10) calendar days from the agreed upon extension date.
- d. Grant funds are subject to LCO approval of the independent audit that shall be performed and submitted to the LCO. Any grant funds determined by the independent audit to have been improperly spent shall be returned to the LCO by November 30, 2025.
- e. The return of any funds as outlined in sections 3 and 4 above, shall be returned certified mail to the LCO Grant Manager at 455 Golden Gate Avenue, 9th Floor, San Francisco, California, 94102.

G. DOCUMENTATION OF EXPENDITURE OF STATE FUNDS

The Grantee must provide LCO with documentation accounting for the proper expenditure of the grant funds. The documentation must comply with sections E, F and H of this Grant Agreement.

H. REPORTING

1. Annual Audit

The Grantee shall:

- a. Complete an annual independent audit of the grant award program for Year 1 (2024-2025), which shall be completed and submitted to the LCO on or before October 31, 2025 via email to the LCO at WageTheftGrant@dir.ca.gov.
- b. Hire an outside independent auditor to determine if the applicant used the grant funds awarded for the sole purpose detailed by the applicant in their grant application and as approved and awarded by the LCO. The outside independent auditor shall determine if the applicant used the grant funds awarded for the sole purpose detailed by the applicant in their grant application and as approved and awarded by the LCO.
- c. Use grant funds for staff salaries and benefits only.

2. Annual Impact Report

The Grantee shall:

- a. At the conclusion of Year 1's grant period (July 31, 2025), complete and submit an Annual Impact Report to the LCO by July 31, 2025, which shall be in PDF format and emailed to the LCO at WageTheftGrant@dir.ca.gov.
- b. Detail the results for the year including but not limited to data on number of investigations; prosecutions criminal/civil; convictions; judgements; restitution ordered and collected; and a narrative summarizing the annual accomplishments with the funds awarded. See LCO Annual Impact Report Item 8.

I. GENERAL PROVISIONS

1. **Amendment:** No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties.
2. **Assignment:** This Grant is not assignable by the Grantee, either in whole or in part, without the consent of the LCO.
3. **Availability of Funds:** LCO's obligations under this Grant Agreement are contingent upon the availability of funds. In the event funds are not available, the State shall have no liability to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Grant Agreement.
4. **Audit:** Grantee agrees that LCO, the Department of General Services, Department of Finance, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant and all State funds received. Grantee agrees to maintain such records for possible audit for three (3) years after the term of this Grant is completed, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include similar right of the State audit records and interview staff in any Grant related to performance of this Agreement.
5. **Compliance with law, regulations, etc.:** The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements.
6. **Computer software:** The Grantee certifies that it has appropriate systems

and controls in place to ensure that State funds will not be used in the performance of this Grant Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

7. **Confidentiality:** No record which has been designated as confidential by LCO or is the subject of a pending application of confidentiality shall be disclosed by the Grantee.
8. **Conflict of interest:** The Grantee certifies that it is in compliance with applicable State and/or federal conflict of interest laws. The Grantee may have no interest, and shall not acquire any interest, direct or indirect, which will conflict with its ability to impartially complete the tasks described herein. The Grantee must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest with its duties throughout the grant term. LCO may consider the nature and extent of any actual, apparent, or potential conflict of interest in the Grantee's ability to perform the grant. The Grantee must immediately advise LCO in writing of any potential new conflicts of interest throughout the grant term.
9. **Disputes:** The Grantee shall continue with the responsibilities under this Grant Agreement during any dispute. Grantee staff or management may work in good faith with LCO staff or management to resolve any disagreements or conflicts arising from implementation of this Grant Agreement. However, any disagreements that cannot be resolved at the management level within 30 days of when the issue is first raised with LCO staff shall be subject to resolution by LCO Executive Officer, or her designated representative. Nothing contained in this paragraph is intended to limit any rights or remedies that the parties may have under law.
10. **Environmental justice:** In the performance of this Grant Agreement, the Grantee shall conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income populations of the State.
11. **Fiscal management systems and accounting standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of State law or this Grant Agreement. Unless otherwise prohibited by State or local law, the Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.
12. **Force majeure:** Neither LCO nor the Grantee shall be liable for or deemed to be in default for any delay or failure in performance under this Grant Agreement or interruption of services resulting, directly or indirectly, from acts

of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, etc.

- 13. Governing law and venue:** This Grant is governed by and shall be interpreted in accordance with the laws of the State of California. LCO and the Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.
- 14. Grantee's responsibility for work:** The Grantee shall be responsible for work and for persons or entities engaged in work, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contract for work on the grant program, including but not limited to payment disputes with contractors, subcontractors, and providers of services. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
- 15. Indemnification:** The Grantee agrees to indemnify, defend and hold harmless the State and the Board and its officers, employees, agents, representatives, and successors-in-interest against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of the performance by the Grantee, and out of the operation of equipment that is purchased with funds from this Grant Award.
- 16. Independent Contractor:** The Grantee, and its agents and employees, if any, in their performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees or agents of the LCO.
- 17. Nondiscrimination:** During the performance of this Grant Agreement, the Grantee and its third party entities shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. The Grantee and its third party entities shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Grantee and its third party entities shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of

Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Grantee and its third party entities shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

The Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Grant Agreement.

- 18. No third party rights:** The parties to this Grant Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation or undertaking establish herein.
- 19. Ownership:** All information or data received or generated by the Grantee under this agreement shall become the property of the LCO. No information or data received or generated under this agreement shall be released without DIR's approval.
- 20. Personally Identifiable Information:** Information or data that personally identifies an individual or individuals is confidential in accordance with California Civil Code sections 1798, et seq. and other relevant State or Federal statutes and regulations. The Grantee shall safeguard all such information or data which comes into their possession under this agreement in perpetuity, and shall not release or publish any such information or data.
- 21. Prevailing wages and labor compliance:** If applicable, the Grantee agrees to be bound by all the provisions of State Labor Code Section 1771 regarding prevailing wages. If applicable, the Grantee shall monitor all agreements subject to reimbursement from this Grant Agreement to ensure that the prevailing wage provisions of State Labor Code Section 1771 are being met.
- 22. Professionals:** For projects involving installation or construction services, the Grantee agrees that only licensed professionals will be used to perform services under this Grant Agreement where such services are called for and licensed professionals are required for those services under State law.
- 23. Severability:** If a court of competent jurisdiction holds any provision of this Grant Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of those provisions, will not be affected.
- 24. Termination:** LCO may terminate this Grant Agreement by written notice at any time prior to completion of projects funded by this Grant Agreement, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to

bring itself into compliance with the provisions of this Grant Agreement.

25. Timeliness: Time is of the essence in this Grant Agreement. Grantee shall proceed with and complete the Project in an expeditious manner.

26. Waiver of Rights: Any waiver of rights with respect to a default or other matter arising under the Grant Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Grant Agreement are in addition to any other rights and remedies provided by law.