

APPENDIX C-1  
(SAMPLE SUBAWARD)



SUBAWARD

BY AND BETWEEN

COUNTY OF LOS ANGELES

COMMUNITY AND SENIOR SERVICES

AND

---

FOR

SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM SERVICES

SUBAWARD NUMBER \_\_\_\_\_

SUBAWARD PERIOD JULY 1, 2017 – JUNE 30, 2019

***“This Subaward document is also known as the “Contract,”  
as referenced in the RFP and Statements of Work.”***

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## RECITALS

This agreement for services ("Subaward" or "Contract") is made and entered into this **[@ Contract\_Date @]** by and between the parties identified below:

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

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

and

**[@ Supplier Name @]**  
("Subrecipient" or "Contractor")

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

WHEREAS, pursuant to California Government Code Section 26227, County may operate programs which are determined to serve public purposes and County may contract with agencies for the provision of such services; and

WHEREAS, pursuant to the provisions of the Older Americans Act Title 42 United States Code Section 3056 et seq. ("OAA"), the Mello-Granlund Older Californians Act California Welfare and Institutions Code Section 9000 et seq. ("OCA") and the Workforce Innovation and Opportunity Act (Public Law 113-128) ("WIOA"), the California Department of Aging ("CDA" or "State") is designated to administer the OAA Title V (Community Service Senior Opportunities Act) for the purpose of providing part-time community service employment and training to low-income individuals fifty five (55) years of age and older; and

WHEREAS, County has established its Title V Senior Community Service Employment Program ("SCSEP" or "Program"), and County has entered into an agreement with State wherein State has authorized County to oversee the Program services defined in Exhibit A (Statement of Work) ("Program Services" or "Services") and provide Services to Clients who are defined in Exhibit A (Statement of Work); and

WHEREAS, the Program Services shall be governed by the following regulations: OAA; OCA; WIOA; Title 20 Code of Federal Regulations Part 641 et seq.; Title 29 Code of Federal Regulations Part 652 et seq.; California Business and Professions Code Sections 2585 and 2586; and, all regulations, bulletins, directives, Training and Employment Guidance Letters ("TEGLs"), and Program memoranda thereto which are promulgated by the United States Department of Health and Human Services, the United States Department of Labor, State and County; and

WHEREAS, County has received funding to establish, implement and oversee Program Services and such funding has been authorized by the following regulations: OAA Title V (Community Service Senior Opportunities Act); and

WHEREAS, County shall implement and oversee the Program Services within its jurisdictional boundaries and, to this end, County has procured Subrecipient in order to enter into this Subaward with Contractor whereby Subrecipient shall provide these Services in accordance with all regulations, bulletins, directives, TEGs, and Program memoranda (and all amendments thereto) which are promulgated by Federal, State and County authorities; and

WHEREAS, County and Subrecipient recognize and agree that specific terms (including, but not limited to, Subrecipient, Contractor, Subaward, Contract, etc.) which are used throughout this agreement for Services are required to be used interchangeably in order to comply with Federal, State and County regulations as stated in Subparagraph 2.2; and

WHEREAS, Subrecipient warrants that it possesses and shall maintain the competence, expertise and personnel necessary to provide such Services throughout the term of this Subaward; and

WHEREAS, Subrecipient further warrants that throughout the entirety of this Subaward, Subrecipient shall establish and implement written administrative, management and personnel policies and procedures to govern the management and administration of the Program in order to ensure that all goals and objectives are achieved as contracted; and

WHEREAS, on **[BOARD DATE]**, the Los Angeles County Board of Supervisors authorized the Director of County of Los Angeles Community and Senior Services ("County's Department Head") or his/her designee to enter, execute and administer this Subaward.

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

**1.0 APPLICABLE DOCUMENTS**

- 1.1 Exhibits A, D, E, F, G1, H, I, O, P, Q, R, S, T, U, V, W, X, Y, Z, AA and BB are attached to and form a part of this Subaward. This Subaward constitutes the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Subaward. No change to this Subaward shall be valid unless prepared pursuant to Subparagraph 8.1 (Amendments) and signed by both parties.
- 1.2 Subrecipient's Proposal submitted in response to the [ @ Program Name @ ] Request for Proposals (RFP) is incorporated and made part of this Subaward. Subrecipient's misrepresentation of any required element in its Proposal submitted in response to the RFP shall be considered an event of default and this Subaward may be terminated in whole or in part pursuant to available remedies provided in Subparagraph 8.43 (Termination for Default).
- 1.3 The headings, page numbers, Paragraph and Subparagraph numbers contained in this Subaward are for convenience and reference only and are not intended to define the scope of any provision herein.
- 1.4 References in this Subaward to Federal, State, County and/or other governmental laws, rules, regulations, ordinances, guidelines, bulletins, directives, TEGs, and Program memoranda shall mean such laws, rules, regulations, ordinances, guidelines, bulletins, directives, TEGs, and Program memoranda as amended, revised and/or modified from time to time. To access current County directives, contact your assigned Subaward Analyst or visit County's website at: <http://css.lacounty.gov/programs/program-directives/>.



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

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

- 1.6.1 Exhibit A (Statement of Work)
- 1.6.2 Exhibit D (Subrecipient's Equal Employment Opportunity Certification)
- 1.6.3 Exhibit E (County's Administration)
- 1.6.4 Exhibit F (Subrecipient's Administration)
- 1.6.5 Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement)
- 1.6.6 Exhibit H (Jury Service Ordinance)
- 1.6.7 Exhibit I (Safely Surrendered Baby Law)
- 1.6.8 Exhibit O (Charitable Contributions Certification)
- 1.6.9 Exhibit P (Definitions)
- 1.6.10 Exhibit Q (Accounting, Administration and Reporting Requirements)
- 1.6.11 Exhibit R (Joint Funding Revenue Disclosure)
- 1.6.12 Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies)
- 1.6.13 Exhibit T (Inventory Control Form)
- 1.6.14 Exhibit U (Certification of Compliance with County's Defaulted Property Tax Reduction Program)
- 1.6.15 Exhibit V (Contract Management System - Contractor's Gateway Terms and Conditions of Use)
- 1.6.16 Exhibit W (Budget)
- 1.6.17 Exhibit X (SCSEP Performance Measures and Goals)
- 1.6.18 Exhibit Y (List of Lower Tier Subawards)

- 1.6.19 Exhibit Z (Cost Allocation Plan)
- 1.6.20 Exhibit AA (Subrecipient's Compliance with Encryption Requirements)
- 1.6.21 Exhibit BB (Criteria and Standards for Letters of Credit and Certificates of Deposit)

## 2.0 DEFINITIONS AND HEADINGS

- 2.1 The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. Exhibit P (Definitions) provides the meaning of key words used herein. These definitions shall be construed to have the meaning provided, unless otherwise apparent from the context in which they are used, or specifically noted herein.
- 2.2 In order to comply with the requirements of Title 45 Code of Federal Regulations Part 75 et al., throughout the entirety of this Subaward, specific terms are used to refer to this agreement which is identified as "Subaward By and Between County of Los Angeles Community and Senior Services and [ @ Supplier Name @ ] for [ @ Program Name @ ] Services Subaward Number [ @ PO Document Number @ ] Subaward Period [ @ Subaward Period @ ]" ("Subaward"), the party to this agreement who is identified as [ @ **Supplier Name** @ ] ("Subrecipient"), a third-party agreement ("Lower Tier Subaward") and a third-party ("Lower Tier Subrecipient"). In order to comply with County of Los Angeles statutes and Board mandates, in some instances, other similar terms are also used to refer to this agreement which is identified as "Subaward By and Between County of Los Angeles Community and Senior Services and [ @ Supplier Name @ ] for [ @ Program Name @ ] Services Subaward Number [ @ PO Document Number @ ] Subaward Period [ @ Subaward Period @ ]" ("Contract"), the party to this agreement who is identified as [ @ **Supplier Name** @ ] ("Contractor"), a third-party agreement ("Subcontract") and/or a third-party ("Subcontractor"). In all cases, when the terms Subaward, Subrecipient, Lower Tier Subaward and Lower Tier Subrecipient are used then these shall have the meaning provided herein and as noted in Exhibit P (Definitions).

## 3.0 WORK

- 3.1 Pursuant to the provisions of this Subaward, Subrecipient shall fully perform, complete and deliver on time, all tasks, deliverables, Services and other work as set forth herein.
- 3.2 If Subrecipient provides any tasks, deliverables, goods, Services, or other work, other than as specified in this Subaward, the same shall be deemed to be a gratuitous effort on the part of Subrecipient, and Subrecipient shall have no claim whatsoever against County.
- 3.3 In the performance of this Subaward, Subrecipient shall comply with the following (which may be amended, modified or revised from time to time by County and/or other funding authorities): all terms and conditions of this Subaward (including all terms contained in the Exhibits hereto) as well as those imposed and required by County and/or other funding authorities; all Program memoranda; implementing regulations; grant requirements; and, all relevant rules and policies.
- 3.4 Subrecipient acknowledges that time is of the essence in the provision and completion of the Work provided to County as stipulated in this Subaward, as is the timely conveyance of reporting deliverables to County, as also

stipulated in this Subaward.

- 3.5 Subrecipient's performance under the requirements of this Subaward will be evaluated during each Fiscal Year or Program Year. Subrecipient shall provide one-hundred percent (100%) of Services and expend one-hundred percent (100%) of the Maximum Annual Subaward Sum as stated in: Paragraph 5.0 (Subaward Sum); Exhibit A (Statement of Work), Attachment 2 (Performance Requirements Summary Chart); and, Exhibit W (Budget).
  - 3.5.1 Subrecipient shall spend a minimum of seventy-nine percent (79%) of the total Maximum Annual Subaward Sum for Client Wages and Fringe Benefits.
- 3.6 At County's request, Subrecipient shall complete a new Exhibit W (Budget) and Exhibit X (SCSEP Performance Measures and Goals) and submit them to County prior to the beginning of each Fiscal Year.
- 3.7 Subrecipient acknowledges that this Subaward includes performance requirements standards which are provided in Exhibit A (Statement of Work), Attachment 2 (Performance Requirements Summary Chart). These standards will measure Subrecipient's performance of the Program requirements. Subrecipient shall adhere to the required standards and the corresponding acceptable quality level identified in Exhibit A (Statement of Work), Attachment 2 (Performance Requirements Summary Chart).
- 3.8 County, at its discretion, may adjust Subrecipient's funds allocated for the following Fiscal Year or Program Year to more accurately reflect Subrecipient's level of performance/expenditure.

**4.0 TERM OF SUBAWARD**

- 4.1 The term of this Subaward shall be two (2) years commencing on July 1, 2017, upon execution by the parties, and shall continue through June 30, 2019, unless sooner terminated or extended in writing by County, in whole or in part, as provided in this Subaward. The term of this Subaward will operate on County's Fiscal Year (FY) period as defined in Exhibit P (Definitions).
- 4.2 Following the initial term as set forth in Subparagraph 4.1 above, County shall have the sole option to extend the Subaward term for up to two (2) additional one-year period for a maximum total Subaward term of four (4) years. Each such option and extension shall be exercised at the sole discretion of County's Department Head or his/her designee as authorized by the Board of Supervisors.
- 4.3 Subrecipient acknowledges County maintains databases that track/monitor Subrecipient's performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise a Subaward term extension option.
- 4.4 Contractor (that is "Subrecipient") shall notify County when this Contract (that is "Subaward") is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to County's Contract Manager at the address herein provided in Exhibit E (County's Administration).

**5.0 SUBAWARD SUM**

**5.1 COST REIMBURSEMENT SUBAWARD**

- 5.1.1 County and Subrecipient agree that this is a cost reimbursement Subaward. County and Subrecipient further agree that

all expenditures represent Subrecipient's true, actual and supported costs which are incurred solely for providing Services hereunder. For purposes of this Subaward, such true/actual costs are those costs which are net of any applicable credits including, but not limited to, discounts, refunds, adjustments, rebates, allowances, etc. and are inclusive of any taxes, delivery/shipping charges, etc. County shall reimburse Subrecipient for supplying the Services as set forth in Exhibit A (Statement of Work) and Exhibit W (Budget). In the event that County or any of its duly authorized representatives (including, but not limited to, Federal, State and other County agents) notes any discrepancy(ies) between Subrecipient's true/actual costs and the costs which have been reimbursed to Subrecipient then County shall remedy such discrepancy(ies) at County's sole discretion.

5.1.2 Subrecipient shall track Subaward Sums and contributions. Subrecipient shall provide a tracking of Subaward Sums during an audit as indicated in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement).

5.1.3 Subrecipient operating as a For-Profit agency must have a negotiated, substantiated and approved profit rate by County prior to submission of invoices.

**5.2 FUNDING ALLOCATIONS**

**5.2.1 Maximum Subaward Sum**

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

5.2.1.2 Pursuant to Subparagraph 8.1 (Amendments), County may amend this Subaward upon occurrence of any changes to the Subaward Sums. Future allocations of the Subaward Sums will be contingent upon Subrecipient's level of performance/expenditure and the availability and appropriation of funds from Federal, State and/or local authorities and such funds may be subsequently adjusted to reflect available funding.

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

5.2.2.1 The Maximum Annual Subaward Sum for the first Fiscal Year of this Subaward ("Year 1") is comprised of monies which are identified by the funding source(s) or governing statute(s) listed below. The funding source(s) and governing statute(s) authorize County to use these monies to provide Program Services.

5.2.2.2 Older Americans Act Title V (Community Service Senior Opportunities Act) funds: \$[@ Year 1 Annual Sum (Title V) @]

### **5.3 CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) PROGRAM NUMBER(S)**

5.3.1 Subaward Sums, either in whole or in part, are identified as Federal monies. The Federal portion(s) of the Subaward Sums has been assigned both a CFDA program number (which identifies and describes the Federal assistance that is available to various entities) and a Federal Grantor office (which provides oversight and administration for these Federal monies). When Subrecipient and its Lower Tier Subrecipient(s), if any, are being audited by an independent auditor, Subrecipient shall provide the following CFDA program information to the independent auditor: CFDA program number; and, name of the assigned Federal Grantor office. This CFDA program information is outlined herein and is only available for the Federal portion(s) of the Subaward Sum. In the event that the CFDA program information is not listed herein for all of the Federal monies included in the Subaward Sum then the excluded monies are not Federal monies and therefore the CFDA program information is not applicable to them.

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

5.3.2.1 The CFDA program number for OAA Title V which governs Title V Program Services is 17.235 - Senior Community Service Employment Program. The Federal Grantor funding source is the United States Department of Labor, Employment Training Administration.

### **5.4 ASSUMPTION OR TAKEOVER**

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

### **5.5 LIMITATIONS ON USE OF SUBAWARD SUMS**

5.5.1 Subaward Sums may only be used for the purposes set forth herein, and must be consistent with the statutory authority for the Program.

5.5.2 Expenditures made by Subrecipient in the operation of this Subaward shall be in compliance and in conformity with Title 45 Code of Federal Regulations Part 75 et al. Subrecipient shall comply with the Administrative Requirements and Cost Principles which are outlined in Exhibit Q (Accounting, Administration and Reporting Requirements), and shall adhere to the strict administrative and fiscal standards described therein. Subrecipient shall be responsible for obtaining Title 45 Code of Federal Regulations Part 75 et al., which is available via the Internet at <http://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75>. Subrecipient shall also comply with the applicable requirements and standards referred to in Title 45 Code of Federal Regulations Part 1321.5 (Grants to State and Community Programs on Aging).

5.5.3 **Limitations on Subaward Sums**

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

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

5.5.4 **Prohibitions on Subaward Sums**

5.5.4.1 Subrecipient shall comply with Public Law (PL) 101-121 (Title 31 United States Code Section 1352), its amendments or revisions, and any implementing regulations, prohibiting the use of Federal money to influence or attempt to influence a member of Congress, Congressional staff, or a Federal employee to award, make or amend any Federal subaward, grant, loan or cooperative agreement. Subrecipient shall also comply with all certification and disclosure requirements of PL 101-121, its amendments, revisions, and implementing regulations, and shall provide assurance that all Lower Tier Subrecipients under this Subaward also fully comply with such certification and disclosure requirements. When the Maximum Annual Subaward Sum is \$100,000 or

more, Subrecipient must file the Lobbying Certification.

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

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

5.5.4.4 Subaward Sums may not be used to sue the Federal government or any other government entity.

5.5.4.5 Pre-award costs are not an allowable use for Subaward Sums.

## **5.6 75% OF SUBAWARD AUTHORIZATION**

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

## **5.7 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION OR TERMINATION OF SUBAWARD**

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

## **5.8 OTHER SUBAWARDS**

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

or finding of withheld payments under such contracts between Subrecipient and other public or private organizations which directly impact activities funded under this Subaward.

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

## **5.9 JOINT FUNDING REVENUES**

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

## **5.10 INVOICES AND PAYMENTS**

- 5.10.1 Subrecipient shall invoice County only for providing the tasks, deliverables, goods, Services, and other work specified in Exhibit A (Statement of Work) and elsewhere hereunder. Subrecipient shall prepare invoices, which shall include the charges owed to Subrecipient by County under the terms of this Subaward. Each invoice shall be based on actual expenditures and Subrecipient shall not submit an invoice based on budgeted or estimated costs (i.e., Subrecipient shall not submit an invoice based on 1/12th of its Maximum Annual Subaward Sum or its Maximum Subaward Sum). Payments to Subrecipient shall be based on the information provided by Subrecipient as established in Exhibit W (Budget) for the Fiscal Year (or Program Year) identified therein, and Subrecipient shall be paid only for the tasks, deliverables, goods, Services, budgeted items and other work approved in writing by County. If County does not approve the Work in writing, no payment shall be due to Subrecipient for that Work.
- 5.10.2 Subrecipient's invoices shall be priced in accordance with the information provided in Exhibit W (Budget) for the Fiscal Year (or Program Year) identified therein.
- 5.10.3 Subrecipient's invoices shall contain the information set forth in Exhibit A (Statement of Work) and Exhibit W (Budget) for the Fiscal Year (or Program Year) identified therein, describing the tasks, deliverables, goods, Services, Work hours, budgeted items and facility and/or other work for which payment is claimed.
- 5.10.4 **Submission of Invoices**
  - 5.10.4.1 Subrecipient shall prepare monthly invoices, along with any necessary supporting documentation for



each invoice, for Subrecipient's Work performed under the requirements of this Subaward. Upon direction of County, Subrecipient shall provide all support documentation required by County, including, but not limited to, vendor invoices, receipts of payment, bank statements, and/or bank registers. All supporting documentation must be able to justify the costs invoiced and be submitted to County within thirty (30) days following the date the corresponding monthly invoice is submitted. County reserves the right to require Subrecipient to upload all required support documentation using County's Information Technology Systems (ITS) which may include the Contract Management System (CMS) - Contractor's Gateway or via other ITS identified by County. Subrecipient shall submit all invoices to County in the form and manner as directed by County by the 10th calendar day of the month following the month of Service (e.g., Subrecipient shall submit an invoice for Services provided in October by November 10th for reimbursement). Subrecipient shall also submit the final, year-end invoice to County no later than the 10th calendar day of the month following the month in which final Services were provided during the Fiscal Year or Program Year. In both instances, when the 10th calendar day falls on a non-business day (Saturday, Sunday or Los Angeles County holiday), Subrecipient shall submit the invoice by the following business day. County reserves the right to modify in writing the due date(s) for the submission of invoices as needed in order to meet regulatory deadlines.

- 5.10.4.2 Subrecipient shall submit an invoice for each month of Service as directed above and invoices shall be submitted in chronological order (e.g., July, August, September, etc.). For example, Subrecipient shall not submit the September invoice unless the August invoice was previously submitted by the 10th calendar day following the month of August. County will not be under any obligation to pay any invoice that is submitted out of chronological order until Subrecipient takes the appropriate measures to adhere to these requirements.
- 5.10.4.3 When Subrecipient does not incur any expenditures for the month of Service, Subrecipient shall prepare an invoice as directed by County so that the invoice reflects zero (\$0) expenditures. Subrecipient shall submit the invoice according to the procedures outlined herein and as further directed by County.
- 5.10.4.4 Subrecipient is responsible for the accuracy of invoices submitted to County. Subrecipient shall reconcile its invoices and correct inaccuracies or inconsistencies in the invoices it submits to County.

Subrecipient and County agree as follows:

- 5.10.4.4.1 When County or its designee discovers that Subrecipient has been overpaid, County will send Subrecipient written notification to request return of the overpayment. Overpayment includes, but is not limited to, payment(s) made to Subrecipient that exceeds either the Maximum Annual Subaward Sum or the Maximum Subaward Sum. Subrecipient shall return such overpayment to County's Compliance Manager within thirty (30) days of receiving County's written notification.
- 5.10.4.4.2 When Subrecipient receives or discovers any overpayment from County, Subrecipient shall immediately notify County's Compliance Manager in writing of such overpayment. Subrecipient shall immediately return such overpayment to County's Compliance Manager within thirty (30) days of receiving or discovering the overpayment.
- 5.10.4.4.3 At County's sole election, overpayment made to Subrecipient may be used to offset future payments due Subrecipient.
- 5.10.4.5 Subrecipient shall submit a complete, accurate, verifiable and timely invoice for each month of Service as directed above. Subrecipient shall also submit a complete, accurate, verifiable and timely final year-end invoice as also directed above. Subrecipient's failure to comply with these requirements may result in delayed processing of payment(s). Any invoice which does not adhere to County's requirements may be rejected at County's sole discretion. Subrecipient's continued non-compliance with County's invoicing policies and procedures may lend Subrecipient to remedies which County may impose at County's sole discretion.

5.10.5 **County Approval of Invoices**

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

documentation for its invoice and reconcile between the invoice and the supporting documentation. County will also use the supporting documentation to confirm that all of Subrecipient's costs reported on the invoice have been paid. County will communicate any discrepancies with Subrecipient to acquire additional information, if needed. This will ensure that any questioned cost(s) is addressed before the cost(s) becomes disallowed. In the event Subrecipient is not able to substantiate the cost(s), Subrecipient will have to repay County for all unsubstantiated costs, Subrecipient may be removed from eligibility for future cash advances (if cash advances are allowed under this Subaward), Subrecipient's payments may be suspended, and/or County may impose other remedies deemed appropriate by County.

#### 5.10.6 **Payments to Subrecipient**

5.10.6.1 In accordance with the invoicing policies and procedures set forth in this Subaward as well as those provided by County, County agrees to pay Subrecipient for the satisfactory provision of the Services identified in Exhibit A (Statement of Work) and any amendments, addendums or modifications thereto. Such payment shall not exceed the amount(s) indicated in Subparagraph 5.2 (Funding Allocations). All payments to Subrecipient will be made in arrears on a monthly basis for Services performed, provided that Subrecipient is not in default under any provision of this Subaward. County has no obligation to pay for any work except those Services expressly authorized by this Subaward.

5.10.6.2 Payments to Subrecipient will be made within thirty (30) calendar days after receipt of an "undisputed invoice". For purposes of this Subparagraph 5.10.6, an undisputed invoice shall mean an invoice which does not contain errors and has been completed and submitted by Subrecipient pursuant to the requirements outlined herein and as directed by County. County has the final authority to determine whether or not an invoice is an undisputed invoice. Subrecipient shall promptly adhere to County's instructions for correcting an invoice in order to prevent any delays in processing payment(s). Until Subrecipient submits an undisputed invoice, County will not be under any obligation to pay any invoice that is not submitted pursuant to the requirements outlined herein and as directed by County.

5.10.6.3 All payments for Services provided under the terms of this Subaward shall be made to Subrecipient using Subrecipient's legal name and tax payer identification number. Subrecipient shall not request payments to be made to third-party vendors

or any vendor which Subrecipient may use in the performance of this Subaward (i.e., Lower Tier Subrecipients). For purposes of this Subaward, Subrecipient's legal name is identified as the name on Subrecipient's articles of incorporation, charter or other legal document that was used to create Subrecipient's organization.

**5.10.6.4 Direct Deposit Requirements**

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

**5.10.6.5 Past Due Invoice**

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

**5.10.6.6 Method of Compensation Adjustment**

5.10.6.6.1 During any Fiscal Year period within the term of this Subaward, County, at its sole discretion, has the option of altering the method of compensation/payment from full reimbursement for Services completed to an amount equal to one-twelfth (1/12) of the Maximum Annual Subaward Sum amount per month. County may pursue this method of compensation if Subrecipient is providing Services to more Clients than anticipated and it appears that Subaward Sums will be completely depleted before the end of each Fiscal Year. County will provide Subrecipient with at least two (2) weeks advance written notice of its decision to alter the method of compensation.

5.10.6.6.2 In no event shall County's decision to

alter the method of compensation affect the Term, Maximum Annual Subaward Sum, Work, or any other provision under this Subaward unless such change is made pursuant to a validly executed Amendment to this Subaward noting any such change(s).

**5.10.7 Subaward-Related Documents**

5.10.7.1 Subrecipient's failure to timely submit Subaward-related documents that are accurate and complete, as requested or required by County, may result in suspension of payments to Subrecipient or other remedies provided by law or under this Subaward. Such documents shall include, but are not limited to, the documents outlined in Subparagraph 9.22 (Subaward Document Deliverables), Subparagraph 9.23 (Fiscal Reporting Requirements) and the following: Exhibit D (Subrecipient's Equal Employment Opportunity Certification); Exhibit F (Subrecipient's Administration); Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement); Exhibit O (Charitable Contributions Certification); Exhibit R (Joint Funding Revenue Disclosure); Exhibit T (Inventory Control Form); Exhibit U (Certification of Compliance with County's Defaulted Property Tax Reduction Program); Exhibit W (Budget) for each Fiscal Year of the Subaward term; Exhibit X (SCSEP Performance Measures and Goals) for each Fiscal Year of the Subaward term; Exhibit Y (List of Lower Tier Subawards); Exhibit Z (Cost Allocation Plan); and, Exhibit AA ((Subrecipient's Compliance with Encryption Requirements).

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

5.10.8.1 It is the intent of County that Certified Local SBEs will receive prompt payment for Services they provide to County. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice that has been properly matched against a receiving or shipping document, service deliverable or payment schedule, or any other validation of receipt document.

**5.11 INTENTIONALLY OMITTED**

**5.12 MATCH CONTRIBUTION**

5.12.1 Each Fiscal Year, Subrecipient shall provide a required match contribution to offset the total cost of providing Program Services. Subrecipient's match contribution shall be reflected in Exhibit W (Budget). The match contribution is the non-Federal share of funding provided by Subrecipient to support the Subaward activities and it may take the form of a cash match contribution, an in-kind match contribution and/or both. This match is calculated as a percentage of the Maximum Annual

Subaward Sum reflected in Paragraph 5.0 (Subaward Sum).

## 5.12.2 **Forms of Match Contributions**

### 5.12.2.1 **Match Cash Contribution**

5.12.2.1.1 A match cash contribution is a monetary donation which is provided by Subrecipient (such as general funds), non-Federal third-parties (such as partner organizations) and/or non-Federal grants and is given to Subrecipient to accomplish the goals of the Program Services.

### 5.12.2.2 **Match In-Kind Contribution**

5.12.2.2.1 A match in-kind contribution is a non-monetary donation of goods, properties or services which are provided by either Subrecipient or non-Federal entities without charge to the Program Services for which they are donated; it is the value of non-cash contributions donated to support Program Services. In-kind contributions typically take the form of the value of personnel, goods and/or services which may include donations of volunteer services, space, equipment, etc. and this value is determined by using the fair market value method. Using sales of comparable property or the cost of comparable services is a method which can be used to determine the fair market value of an in-kind match contribution.

### 5.12.2.3 **Determination of In-Kind Volunteer Services**

5.12.2.3.1 Volunteer services may be used to meet the match contribution requirement and shall be reported as match in-kind. However, when using volunteer services to meet the match contribution requirement, this in-kind match shall not exceed more than fifty percent (50%) of the required match contribution.

5.12.2.3.2 The monthly salary equivalent for volunteer services should be commensurate with the work/services being provided by volunteer. As such, the salary equivalent for volunteer services shall be determined by using the regular salaries paid for similar work in other activities of Subrecipient's organization. In cases where the kinds of skills involved are

not found in other activities of the organization then the salary equivalent shall be determined by using the salaries paid for similar work in the labor market in which Subrecipient competes for such skills.

5.12.3 The match contribution requirements for this Subaward is ten percent (10%) of the Maximum Annual Subaward Sum.

### **5.13 SUBRECIPIENT INDIRECT COSTS**

5.13.1 The maximum amount of indirect costs that is payable under this Subaward is ten percent (10%) of the Maximum Annual Subaward Sum for Title V Program Services. Subrecipient shall not charge indirect costs exceeding the ten percent (10%) maximum to this Subaward unless written approval is received by County. Indirect costs in excess of the ten percent (10%) maximum may be budgeted as a match contribution and used to meet the minimum match requirement specified in Subparagraph 5.12 (Match Contribution).

5.13.2 The requirements for indirect costs are further outlined in Exhibit Q (Accounting, Administration and Reporting Requirements) and CSS directive CCD-15-03 (Cost Allocation and Indirect Cost Requirements for CSS Subawards) which is available on-line at <http://css.lacounty.gov/programs/program-directives>.

## **6.0 ADMINISTRATION OF SUBAWARD - COUNTY**

### **6.1 COUNTY ADMINISTRATION**

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

### **6.2 COUNTY'S CONTRACT MANAGER**

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

6.2.1.1 Coordinating with Subrecipient and ensuring Subrecipient's performance of the Subaward. However, in no event shall Subrecipient's obligation to fully satisfy all of the requirements of this Subaward be relieved, excused or limited thereby.

6.2.1.2 Upon request of Subrecipient, providing direction to Subrecipient, as appropriate in areas relating to County policy, information requirements, and procedural requirements. However, in no event shall Subrecipient's obligation to fully satisfy all of the requirements of this Subaward be relieved, excused or limited thereby.

6.2.1.3 Making revisions which do not materially affect the terms and conditions of this Subaward in accordance with Subparagraph 9.9 (Modifications).

- 6.2.1.4 Acting on behalf of County with respect to approval of Lower Tier Subawards and Lower Tier Subrecipient employees working on this Subaward.

**6.3 COUNTY'S PROGRAM MANAGER**

- 6.3.1 The role of County's Program Manager or his/her designee may include:
  - 6.3.1.1 Meeting with Subrecipient's Project Manager on a regular basis.
  - 6.3.1.2 Inspecting any and all tasks, deliverables, goods, Services, or other work provided by or on behalf of Subrecipient. However, in no event shall Subrecipient's obligation to fully satisfy all of the requirements of this Subaward be relieved, excused or limited thereby.
- 6.3.2 County's Program Manager is not authorized to make any changes in any of the terms and conditions of this Subaward and is not authorized to further obligate County in any respect whatsoever.

**6.4 COUNTY'S COMPLIANCE MANAGER**

- 6.4.1 The role of County's Compliance Manager or his/her designee may include:
  - 6.4.1.1 Verifying Subrecipient's compliance with the requirements of this Subaward.
  - 6.4.1.2 Overseeing and monitoring the delivery of Services. However, in no event shall Subrecipient's obligation to fully satisfy all of the requirements of this Subaward be relieved, excused or limited thereby.
  - 6.4.1.3 Ensuring that the objectives of this Subaward are met.

**7.0 ADMINISTRATION OF SUBAWARD - SUBRECIPIENT**

**7.1 SUBRECIPIENT ADMINISTRATION**

- 7.1.1 A listing of all of Subrecipient's administration referenced in the following Subparagraphs is provided in Exhibit F (Subrecipient's Administration). Subrecipient will notify County's Contract Manager in writing of any change in the names or addresses shown.

**7.2 SUBRECIPIENT'S PROJECT MANAGER**

- 7.2.1 Subrecipient's Project Manager is designated in Exhibit F (Subrecipient's Administration). Subrecipient shall notify County's Contract Manager in writing of any change in the name or address of Subrecipient's Project Manager immediately upon occurrence of the change but no later than five (5) business days after the change is effective.



- 7.2.2 Subrecipient's Project Manager shall be responsible for Subrecipient's day-to-day activities as related to this Subaward and shall meet and coordinate with County's Contract Manager, County's Program Manager and County's Compliance Manager on a regular basis.
- 7.2.3 Subrecipient's Project Manager must have the qualifications and experience identified in Exhibit A (Statement of Work).

**7.3 APPROVAL OF SUBRECIPIENT'S STAFF**

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

**7.4 SUBRECIPIENT'S STAFF IDENTIFICATION**

- 7.4.1 Subrecipient shall provide, at Subrecipient's expense, all staff/employees providing Services under this Subaward with a photo identification badge ("badge"). The badge shall be developed in accordance with County's specifications. Subrecipient shall obtain approval for the format and content of the badge from County's Program Manager prior to Subrecipient creating, issuing, or implementing use of the badge.
- 7.4.2 Subrecipient's staff, while on duty or when entering County facilities or grounds, shall prominently display the badge on the upper part of the body. Subrecipient's staff may be asked by a County representative to leave a County facility if Subrecipient's staff does not have the photo identification badge on his/her person and Subrecipient's staff must immediately comply with such request.
- 7.4.3 Subrecipient shall notify County's Contract Manager within five (5) days when staff is terminated from working under this Subaward. Subrecipient shall retrieve and immediately destroy the employee's badge upon the employee's termination of employment with Subrecipient.
- 7.4.4 If County requests the removal of Subrecipient's staff, Subrecipient shall retrieve and immediately destroy an employee's badge at the time the employee is removed from working on this Subaward.

**7.5 BACKGROUND AND SECURITY INVESTIGATIONS**

- 7.5.1 Each of Subrecipient's staff/employees providing Services under this Subaward who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to provide Services under this Subaward. This background investigation shall be conducted on an annual basis throughout the entire term of this Subaward. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and Federal-level review, which may include, but shall not be limited to, criminal

conviction information. The fees associated with the background investigation shall be at the expense of Subrecipient, regardless of whether the member of Subrecipient's staff passes or fails the background investigation. For purposes of this Subaward, a sensitive position is one in which the duties pose a potential threat or risk to Client when performed by persons who have a criminal history incompatible with those duties, whether those persons are employees of Subrecipient or other individuals who provide Services on behalf of Subrecipient pursuant to this Subaward. For Work performed under this Subaward, sensitive positions include (but is not limited to) the following:

- 7.5.1.1 Positions that involve the care, oversight, or protection of persons through direct contact with such persons (e.g., social worker, case manager, etc.).
  - 7.5.1.2 Positions having direct or indirect access to funds or negotiable instruments (e.g., finance manager, accountant, bookkeeper, etc.).
  - 7.5.1.3 Positions that require State and/or professional licensing (e.g., Certified Public Accountant, etc.).
  - 7.5.1.4 Positions that have access to confidential or classified information including criminal conviction information (e.g., human resources manager, etc.).
  - 7.5.1.5 Positions that involve the care, oversight, or protection of County, public, or private property (e.g., property custodian, etc.).
- 7.5.2 If a member of Subrecipient's staff does not pass the background investigation, County may request that the member of Subrecipient's staff be immediately removed from providing Services under this Subaward. Subrecipient shall comply with County's request at any time during the term of this Subaward. County will not provide to Subrecipient or to Subrecipient's staff any information obtained through County's background investigation.
- 7.5.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Subrecipient's staff who does not pass such investigation to the satisfaction of County or whose background or conduct is incompatible with County facility access.
- 7.5.4 No member of Subrecipient's staff providing Services under this Subaward shall be on active probation, currently on parole or have been on probation or parole within the last three (3) years.
- 7.5.5 Subrecipient and its staff, including all current and prospective employees, independent contractors, volunteers or Lower Tier Subrecipients who may come in contact with people in the course of their Work, volunteer activity, or performance of a Lower Tier Subaward, providing Services under this Subaward shall be under a continuing obligation to disclose any prior or subsequent criminal conviction record or any pending criminal

trial to County's Program Manager. Subrecipient shall inform its staff, including all current and prospective employees, independent contractors, volunteers or Lower Tier Subrecipients who may come in contact with people in the course of their Work, volunteer activity, or performance of a Lower Tier Subaward, providing Services under this Subaward of said obligation. Subrecipient shall maintain records of criminal convictions and/or pending criminal trials in the file of each such person.

7.5.6 Subrecipient shall immediately notify County's Program Manager of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any Subrecipient staff, independent contractor, volunteer or Lower Tier Subrecipient who may come in contact with children, elderly individuals or dependent adults while providing Services under this Subaward when such information becomes known to Subrecipient. Subrecipient shall not engage or continue to engage the services of any person convicted of any crime involving harm to minors, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to, the offenses specified in the California Health and Safety Code Section 11590 (i.e., offenses requiring registration as a controlled substance offender) and those crimes listed in the California Penal Code which involve murder, rape, kidnap, abduction, assault and lewd and lascivious acts.

7.5.7 Disqualification of any member of Subrecipient's staff pursuant to this Subparagraph 7.5 shall not relieve Subrecipient of its obligation to complete all Work in accordance with the terms and conditions of this Subaward.

## **7.6 CONFIDENTIALITY**

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

7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or Subcontractors (that is "Lower Tier Subrecipients"), to comply with this Subparagraph 7.6 and Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement), as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Subparagraph 7.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide

County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

7.6.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing Services hereunder of the confidentiality provisions of this Contract (that is "Subaward").

7.6.4 Contractor shall sign and also adhere to the provisions of Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement).

7.6.5 **Unauthorized Disclosure**

7.6.5.1 Subrecipient shall ensure that personal, sensitive and confidential information is protected from inappropriate or unauthorized access or disclosure in accordance with applicable laws, regulations and State policies. The requirement to protect information shall remain in force until superseded by laws, regulations, or policies.

7.6.5.2 Subrecipient shall protect from unauthorized disclosure the names and other identifying information, concerning Clients receiving Program Services pursuant to this Subaward, except for statistical information that does not identify any Client.

7.6.5.3 Subrecipient shall not use identifying information for any purpose other than carrying out Subrecipient's obligations under this Subaward. Identifying information shall include, but is not limited to the following: name; identifying number; social security number; State driver's license or State identification number; financial account numbers; and symbol or other identifying characteristic assigned to Client, such as finger print, voice print or a photograph.

7.6.5.4 Subrecipient shall not, except as otherwise specifically authorized or required by this Subaward or court order, divulge to any unauthorized person any data or identifying information obtained while performing Work pursuant to this Subaward without prior written authorization from County. Subrecipient shall forward all requests for the release of any data or identifying information received to County's Program Manager. Subrecipient may be authorized, in writing, by Client to disclose identifying information specific to the authorizing Client.

7.6.5.5 Subrecipient may allow Client to authorize the release of information to specific entities, but shall not request or encourage Client to give a blanket

authorization or sign a blank release, nor shall Subrecipient accept such blanket authorization from Client.

## 8.0 STANDARD TERMS AND CONDITIONS

### 8.1 AMENDMENTS

- 8.1.1 For any change which materially affects the Scope of Work, Subaward Term, Subaward Sum, payments, or any other term or condition included under this Subaward, an Amendment to this Subaward shall be prepared by County and executed by Subrecipient's Authorized Representative and by County's Department Head or his/her designee.
- 8.1.2 County's Board of Supervisors, Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in this Subaward during the term of this Subaward. County reserves the right to add and/or change such provisions as required by County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to this Subaward shall be prepared by County and executed by Subrecipient's Authorized Representative and by County's Department Head or his/her designee.
- 8.1.3 County's Department Head or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Subaward). Subrecipient agrees that such extensions of time shall not change any other term or condition of this Subaward during the period of such extensions. To implement an extension of time, an Amendment to this Subaward shall be prepared by County and executed by Subrecipient's Authorized Representative and by County's Department Head or his/her designee.
- 8.1.4 The following events shall also warrant an Amendment to this Subaward as described in this Subparagraph 8.1:
- 8.1.4.1 County may initiate a unilateral Amendment to this Subaward at any time when required by Federal, State or County laws or policies, and shall immediately notify Subrecipient of said Amendment and the justification thereto.
- 8.1.4.2 To the extent that funding for the Program is eliminated or otherwise reduced, the Program is terminated or the Program is modified for any reason (such that funding is reduced or the Scope of Work is changed), County may in its sole discretion amend this Subaward accordingly or move to terminate pursuant to the provisions in Subparagraph 8.42 (Termination for Convenience) without further liability for Services yet to be rendered by Subrecipient.
- 8.1.5 **Change Notice**
- 8.1.5.1 For any change which does not affect the Scope of Work performed under this Subaward, the

Subaward Term or Subaward Sum, and does not otherwise materially change any other term or condition under this Subaward, County reserves the right to initiate such change(s) through a Change Notice Program memorandum or an administrative directive which shall all have the same effect. Such Change Notice shall be a written document that is prepared by County at its sole discretion and is signed by County's Contract Manager or designee. A Change Notice will be used to communicate changes which do not warrant an amendment to this Subaward. Such Change Notice shall be provided to Subrecipient at least ten (10) days prior to its effective date and Subrecipient shall adhere to the requirements as specified therein. Subrecipient's failure to comply with the Change Notice(s) may result in County imposing remedies including suspension of payment(s), termination of Subaward or other remedies under this Subaward as determined by County at its sole discretion.

## **8.2 ASSIGNMENT AND DELEGATION**

- 8.2.1 Contractor (that is "Subrecipient") shall not assign its rights, delegate its duties under this Contract (that is "Subaward"), or both, whether in whole or in part, without the prior written consent of County, in its sole discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Subparagraph 8.2, County consent shall require a written Amendment to this Contract, which is formally approved and executed by the parties. Any payments by County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.
- 8.2.2 Shareholders, partners, members, or other equity holders of Contractor may sell, transfer, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.
- 8.2.3 Any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than Contractor, whether through assignment, subcontract (that is "Lower Tier Subaward"), delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by

Contractor.

### **8.3 AUTHORIZATION WARRANTY**

- 8.3.1 Subrecipient represents and warrants that the person executing this Subaward for Subrecipient is an authorized agent who has actual authority to bind Subrecipient to each and every term, condition, and obligation of this Subaward and that all requirements of Subrecipient have been fulfilled to provide such actual authority ("Subrecipient's Authorized Representative").
  
- 8.3.2 Subrecipient's Authorized Representative must be available to County and/or County's duly authorized representatives during the days and times specified in Exhibit A (Statement of Work). In the event that Subrecipient's Authorized Representative is not available during these specified days and times, he/she shall ensure that an appropriate designee is identified in writing to County's Contract Manager. Such designee shall have the ability and authority to act as a proxy on behalf of Subrecipient's Authorized Representative, and this authority must also be evidenced in writing by Subrecipient's Authorized Representative. Subrecipient's Authorized Representative shall further ensure that he/she can be contacted by his/her designee when Subrecipient's Authorized Representative is not available during the days and times specified in Exhibit A (Statement of Work).

### **8.4 BUDGET REDUCTIONS**

- 8.4.1 In the event that County's Board of Supervisors adopts, in any Fiscal Year or Program Year, a County budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, County reserves the right to reduce its payment obligation under this Contract (that is "Subaward") correspondingly for that Fiscal Year or Program Year and any subsequent Fiscal Year or Program Year during the term of this Contract (including any extensions), and the Services to be provided by Contractor (that is "Subrecipient") under this Contract shall also be reduced correspondingly. County's notice to Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, Contractor shall continue to provide all of the Services set forth in this Contract.

### **8.5 COMPLAINTS**

- 8.5.1 Subrecipient shall develop, maintain and utilize procedures for receiving, investigating and responding to complaints. Within fifteen (15) business days after the Subaward effective date, Subrecipient shall provide County's Program Manager with Subrecipient's policy for receiving, investigating and responding to Client complaints.
  
- 8.5.2 County will review Subrecipient's policy and provide Subrecipient with approval of said plan or with requested changes.
  
- 8.5.3 If County requests changes in Subrecipient's policy, Subrecipient

shall make such changes and resubmit the plan within five (5) business days for County approval.

- 8.5.4 If, at any time, Subrecipient wishes to change Subrecipient's policy, Subrecipient shall submit proposed changes to County's Program Manager for approval before implementation.
- 8.5.5 Subrecipient shall preliminarily investigate all complaints and notify County's Program Manager of the status of the investigation within ten (10) business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7 Copies of all written responses shall be sent to County's Program Manager within five (5) business days of mailing to the complainant.
- 8.5.8 Subrecipient shall provide Client an opportunity to anonymously submit a grievance directly to County's Compliance Manager. Subrecipient shall ensure that the contact information of County's Compliance Manager is posted in a publicly accessible area and also provided to Client in writing.
- 8.5.9 Subrecipient shall provide County an opportunity to consider any grievance whether it is anonymously submitted to County by Client or if it's a grievance that cannot be resolved by Subrecipient. At County's sole discretion, County's written decision regarding the grievance shall be final and irrevocable.
- 8.5.10 At a minimum, Subrecipient shall incorporate (into its written grievance policies) the procedures and provisions of this Subparagraph 8.5 as well as those outlined in both County's directive number LACOD-WIAD11-01 (as may be amended or superseded) and State's directive number WSD10-1 (as may be amended or superseded).

**8.6 COMPLIANCE WITH APPLICABLE LAWS**

- 8.6.1 In the performance of this Subaward, Subrecipient shall comply with all applicable Federal, State, County and local laws, rules, regulations, ordinances, directives, guidelines, policies, bulletins, TEGs, Program memoranda and procedures. Subrecipient shall also comply with all subsequent revisions, modifications, and administrative and statutory changes made thereto by Federal, State and County authorities. All provisions required thereby to be included in this Subaward are hereby incorporated herein by reference.
- 8.6.2 Subrecipient shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Subrecipient, its officers, employees, agents, or Lower Tier Subrecipients, to comply with any such laws, rules, regulations,



ordinances, directives, guidelines, policies, bulletins, TEGs, Program memoranda or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Subrecipient's indemnification obligations under this Subparagraph 8.6 shall be conducted by Subrecipient and performed by counsel selected by Subrecipient and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Subrecipient fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Subrecipient for all such costs and expenses incurred by County in doing so. Subrecipient shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

- 8.6.3 Subrecipient's compliance with applicable laws and regulations includes, but is not limited to, adherence to the mandatory standards and policies relating to the following: Title 45 Code of Federal Regulations Part 75 et al.; Title 2 Code of Federal Regulations Part 2900; Jobs for Veterans Act (Public Law 107-288); California Healthy Workplaces/Healthy Families Act 2014 (AB 1522); Pilot Program for Enhancement of Contractor Employee Whistleblower Protections (Title 48 Code of Federal Regulations Subpart 3.908 and Title 41 United States Code Section 4712); Salary and Bonus Limitations (WIOA Section 194(15)); Debarment and Suspension (Executive Orders 12549 and 12689); State's energy efficiency regulations (Title 24 California Code of Regulations and Title 42 United States Code 6201); Executive Order 12928; Executive Order 13043; Executive Order 13513; and, Executive Order 13166. In addition to these standards and policies, when the Maximum Subaward Sum is \$100,000 or more, Subrecipient shall also adhere to the following policies: Clean Air Act, as amended (Title 42 United States Code Section 7401 et seq.); Water Pollution Prevention and Control provisions (Title 33 United States Code Section 1251); and, Clean Water Act/Federal Water Pollution Control Act, as amended (Title 33 United States Code Section 1251 et seq.); and, Executive Order 11738. County reserves the right to review Subrecipient's procedures to ensure that they comply with the statutes, ordinances, regulations, rules, rulings, policies and procedures of the Federal, State and County authorities, as applicable.
- 8.6.4 Subrecipient certifies that throughout the entirety of this Subaward it shall comply with all Federal and State payroll tax rules and employer tax guides; Subrecipient shall pay all Federal and State payroll taxes; and, Subrecipient shall make all tax deposits required by Federal and State laws within the time limits required.
- 8.6.5 Subrecipient's failure to comply with such regulations, rules, ordinances, court rules, municipal laws, directives, policies, bulletins, TEGs, Program memoranda and procedures outlined in this Subparagraph 8.6 and/or the provisions, requirements or conditions of this Subaward, including but not limited to, performance documentation, reporting, audit and evaluation

requirements shall be material breach of this Subaward and may result in termination of this Subaward or other remedies available herein.

**8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

8.7.1 Subrecipient hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964 (Title 42 United States Code Sections 2000e - 2000e-17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Subaward or under any project, program, or activity supported by this Subaward. Subrecipient shall also comply with Title 29 Code of Federal Regulations Part 37; Title 41 Code of Federal Regulations Part 60; Executive Order 11246; and, Exhibit D (Subrecipient's Equal Employment Opportunity Certification). Prior to the commencement of this Subaward, Subrecipient shall submit the completed Exhibit D to County's Contract Manager in the time and manner as designated by County.

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

**8.8 COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM**

**8.8.1 Jury Service Program**

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

**8.8.2 Written Employee Jury Service Policy**

8.8.2.1 Unless Contractor (that is "Subrecipient") has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Los Angeles County Code Section 2.203.020) or that Contractor qualifies for an exception to the Jury Service

Program (Los Angeles County Code Section 2.203.070), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.

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

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

exception to the Jury Service Program.

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

## **8.9 CONFLICT OF INTEREST**

- 8.9.1 No County employee whose position with County enables such employee to influence the granting of this Subaward or any competing contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by Subrecipient or have any other direct or indirect financial interest in this Subaward. No officer or employee of Subrecipient who may financially benefit from the performance of Work hereunder shall in any way participate in County's approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such Work.
- 8.9.2 Subrecipient shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Subaward. Subrecipient warrants that it is not now aware of any facts that create a conflict of interest. If Subrecipient hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County's Compliance Manager. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Subparagraph 8.9 shall be a material breach of this Subaward.

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

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

## **8.11 CONSIDERATION OF HIRING GAIN AND GROW PARTICIPANTS**

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

job candidates, Contractor shall report all job openings with job requirements to GAINGROW@dpss.lacounty.gov.

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

**8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

**8.12.1 Responsible Contractor**

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

**8.12.2 Los Angeles County Code Chapter 2.202**

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

**8.12.3 Non-responsible Contractor**

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

**8.12.4 Contractor Hearing Board**

- 8.12.4.1 If there is evidence that Contractor (that is "Subrecipient") may be subject to debarment, County will notify Contractor in writing of the evidence which is the basis for the proposed

debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

- 8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- 8.12.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 8.12.4.4 If Contractor has been debarred for a period longer than five (5) years, Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.
- 8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where: (1) Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of

debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

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

8.12.5 **Subcontractors of Contractor**

8.12.5.1 These terms shall also apply to Subcontractors (that is "Lower Tier Subrecipients") of County contractors.

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

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

8.13.1 Contractor (that is "Subrecipient") acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its Subcontractors (that is "Lower Tier Subrecipients"), if any, to post this poster in a prominent position in the Subcontractor's place of business. County of Los Angeles Department of Children and Family Services will supply Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at [www.babysafela.org](http://www.babysafela.org).

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

- 8.14.1 Contractor (that is "Subrecipient") acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County of Los Angeles and its taxpayers.
- 8.14.2 As required by County's Child Support Compliance Program (Los Angeles County Code Chapter 2.200) and without limiting Contractor's duty under this Contract (that is "Subaward") to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Social Security Act (Title 42 United States Code Section 653(a)) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to the California Code of Civil Procedure Section 706.031 and the California Family Code Section 5246(b).

**8.15 COUNTY'S QUALITY ASSURANCE PLAN**

- 8.15.1 County or its agent will evaluate Contractor's (that is "Subrecipient's") performance under this Contract (that is "Subaward") on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and conditions and performance standards, in addition to the regulations outlined in Subparagraph 8.38.3 (Monitoring Reviews). Contractor deficiencies which County determines are severe or continuing and that may place performance of this Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

**8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

- 8.16.1 Subrecipient shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings or grounds caused by Subrecipient or employees or agents of Subrecipient. Such repairs shall be made immediately after Subrecipient has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.16.2 If Subrecipient fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Subrecipient by cash payment upon demand.

**8.17 EMPLOYMENT ELIGIBILITY VERIFICATION**

- 8.17.1 Subrecipient warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of



aliens and others and that all of its employees performing Work under this Subaward meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Subrecipient shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (Public Law 99-603) as they currently exist and as they may be hereafter amended. Subrecipient shall retain all such documentation for all covered employees for the period prescribed by law.

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

## **8.18 FACSIMILE REPRESENTATIONS**

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

## **8.19 FAIR LABOR STANDARDS**

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

## **8.20 FORCE MAJEURE**

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

- 8.20.2 Notwithstanding the foregoing, a default by a Lower Tier Subrecipient of Subrecipient shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Subrecipient and such Lower Tier Subrecipient, and without any fault or negligence of either of them. In such case, Subrecipient shall not be liable for failure to perform, unless the goods or Services to be furnished by the Lower Tier Subrecipient were obtainable from other sources in sufficient time to permit Subrecipient to meet the required performance schedule. As used in this Subparagraph 8.20, the term "Lower Tier Subrecipient" and "Lower Tier Subrecipients" mean Lower Tier Subrecipients at any tier.
- 8.20.3 In the event Subrecipient's failure to perform arises out of a force majeure event, Subrecipient agrees to use commercially reasonable best efforts to obtain goods or Services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

**8.21 GOVERNING LAW, JURISDICTION, AND VENUE**

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

**8.22 INDEPENDENT CONTRACTOR STATUS**

- 8.22.1 This Subaward is by and between County and Subrecipient and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Subrecipient. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.22.2 Subrecipient shall be solely liable and responsible for providing to, or on behalf of, all persons performing Work pursuant to this Subaward all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Subrecipient.
- 8.22.3 Subrecipient understands and agrees that all persons performing Work pursuant to this Subaward are, for purposes of Workers' Compensation liability, solely employees of Subrecipient and not employees of County. Subrecipient shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Subrecipient pursuant to this Subaward.
- 8.22.4 Subrecipient shall adhere to the provisions stated in Subparagraph 7.6 (Confidentiality).

**8.23 INDEMNIFICATION**

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

**8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE**

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

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

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

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

8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its National Association of Insurance Commissioners ("NAIC") identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list

any County required endorsement forms.

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

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

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

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

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

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

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

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

8.24.5 **Failure to Maintain Insurance**

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

8.24.6 **Insurer Financial Ratings**

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

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

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

8.24.8 **Waivers of Subrogation**

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

8.24.9 **Subcontractor Insurance Coverage Requirements**

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

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

8.24.10.1 Contractor's (that is "Subrecipient's") policies shall not obligate County to pay any portion of any Contractor deductible or SIR. County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.11 **Claims Made Coverage**

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

8.24.12 **Application of Excess Liability Coverage**

8.24.12.1 Contractor (that is "Subrecipient") may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

8.24.13 **Separation of Insureds**

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

8.24.14 **Alternative Risk Financing Programs**

8.24.14.1 County reserves the right to review, and then approve, Contractor (that is "Subrecipient") use of self-insurance, risk retention groups, risk

purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. County and its Agents shall be designated as an Additional Covered Party under any approved program.

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

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

**8.25 INSURANCE COVERAGE**

8.25.1 **Commercial General Liability**

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

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

8.25.2 **Automobile Liability**

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

8.25.3 **Workers Compensation and Employers' Liability**

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

8.25.4 **Crime Coverage**

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

8.25.5 **Intentionally Omitted**

8.25.6 **Intentionally Omitted**

8.25.7 **Sexual Misconduct Liability**

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

8.25.8 **Privacy and Network Security Coverage**

8.25.8.1 Privacy and Network Security coverage ("Cyber Insurance") with limits of at least \$5 million providing protection against liability for the following: privacy breaches (liability arising from the loss or disclosure of confidential information no matter how it occurs); system(s) breaches; denial or loss of Service; introduction, implantation or spread of malicious software code; and, unauthorized access to or use of computer systems. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

**8.26 LIQUIDATED DAMAGES**

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



- 8.26.2 If County's Department Head or his/her designee determines that there are deficiencies in the performance of this Subaward that County's Department Head or his/her designee deems are correctable by Subrecipient over a certain time span, County's Department Head or his/her designee will provide a written notice to Subrecipient to correct the deficiency within specified time frames. Should Subrecipient fail to correct deficiencies within said time frame, County's Department Head or his/her designee may take any of the actions identified in Subparagraph 8.26.3.
- 8.26.3 **Remedies for Non-Performance of Subaward**
- 8.26.3.1 County may deduct from Subrecipient's payment, pro rata, those applicable portions of the monthly Subaward Sum at County's sole discretion.
- 8.26.3.2 County may deduct liquidated damages at County's sole discretion. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of Subrecipient to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages per day per infraction shall be determined as follows: when this Subaward is funded for one (1) Fiscal Year or Program Year term then a reasonable estimate of such damages per day per infraction shall be twenty-five percent (25%) of the Maximum Subaward Sum or as specified in Exhibit A (Statement of Work), Attachment 2 (Performance Requirements Summary Chart); or, when this Subaward is funded for more than one (1) Fiscal Year or Program Year term then a reasonable estimate of such damages per day per infraction shall be twenty-five percent (25%) of the Maximum Annual Subaward Sum or as specified in Exhibit A (Statement of Work), Attachment 2 (Performance Requirements Summary Chart). In either case, Subrecipient shall be liable to County for liquidated damages in said amount and this amount shall be deducted from County's payment to Subrecipient; and/or
- 8.26.3.3 Upon giving five (5) days' notice to Subrecipient for failure to correct the deficiencies, County may correct any and all deficiencies and the total costs incurred by County for completion of the Work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to Subrecipient from County, as determined by County.
- 8.26.4 The action noted in Subparagraph 8.26.3 shall not be construed as a penalty, but as adjustment of payment to Subrecipient to recover County cost due to the failure of Subrecipient to complete or comply with the provisions of this Subaward.
- 8.26.5 This Subparagraph 8.26 shall not, in any manner, restrict or limit

County's right to damages for any breach of this Subaward provided by law or as specified in Exhibit A (Statement of Work), Attachment 2 (Performance Requirements Summary Chart) or Subparagraph 8.26.3, and shall not, in any manner, restrict or limit County's right to terminate this Subaward as agreed to herein. This Subparagraph 8.26 may be assessed as an option. It does not preclude utilizing Exhibit A (Statement of Work), Attachment 2 (Performance Requirements Summary Chart) or assessing actual costs of the damage.

**8.27 MOST FAVORED PUBLIC ENTITY**

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

**8.28 NON-DISCRIMINATION AND AFFIRMATIVE ACTION**

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

8.28.2 Contractor shall certify to, and comply with, the provisions of Exhibit D (Subrecipient's Equal Employment Opportunity Certification).

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

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

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

- 8.28.6 Contractor shall allow County representatives access to Contractor's employment records during County's regular business hours to verify compliance with the provisions of this Subparagraph 8.28 when so requested by County.
- 8.28.7 If County finds that any provisions of this Subparagraph 8.28 have been violated, such violation shall constitute a material breach of this Contract upon which County may terminate or suspend this Contract. While County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Contract.
- 8.28.8 The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Contract, County shall, at its sole option, be entitled to the sum of \$500 for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

**8.29 NON-EXCLUSIVITY**

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

**8.30 NOTICE OF DELAYS**

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

**8.31 NOTICE OF DISPUTES**

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

**8.32 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

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

**8.33 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

8.33.1 Contractor (that is "Subrecipient") shall notify and provide to its employees, and shall require each Subcontractor (that is "Lower Tier Subrecipient") to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I (Safely Surrendered Baby Law), of this Contract (that is "Subaward") and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**8.34 NOTICES**

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

**8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

8.35.1 Notwithstanding the above, Subrecipient and County agree that, during the term of this Subaward and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

**8.36 PUBLIC RECORDS ACT**

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

8.36.2 In the event County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential" or "proprietary",

Subrecipient agrees to defend and indemnify County from all costs and expenses, including reasonable attorney's fees, in an action or liability arising under the California Public Records Act.

**8.37 PUBLICITY**

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

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

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

8.37.2 Without the prior written consent of County, Subrecipient may indicate in its proposals and sales materials that it has been granted this Subaward with County of Los Angeles, provided that the requirements of this Subparagraph 8.37 shall apply.

8.37.3 Subrecipient shall not use or display the official seal of County of Los Angeles or the logo of Community and Senior Services on any of its letterhead or other communications with any debtor, or for any other reason, unless each form of usage has prior written approval of the Los Angeles County Board of Supervisors.

**8.38 RECORD RETENTION, INSPECTION AND AUDIT SETTLEMENT**

**8.38.1 Record Retention Requirements**

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

term of this Subaward and during the authorized retention period as outlined below.

8.38.1.2 Subrecipient shall adhere to the requirements of the authorized retention period, which shall be the greater of the following: throughout the entire term of this Subaward and no less than three (3) years after the expiration or termination of this Subaward unless Subrecipient receives County's written permission to dispose of any such material prior to such time; until an audit of this Subaward has occurred and a written audit resolution has been issued or unless otherwise authorized in writing by County; or, for such longer period, if any, as required by applicable statute, by any other provision of this Subaward, by Subparagraphs 8.38.2.2 and 8.38.2.3 or as County deems necessary (which shall be communicated to Subrecipient in writing).

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

8.38.1.4 After the authorized retention period has expired, Subrecipient shall dispose of, shred or destroy all confidential records in a manner that will maintain confidentiality. Subrecipient shall obtain a certificate of destruction to substantiate that all confidential records have been securely destroyed. Subrecipient shall notify County's Contract Manager in writing within thirty (30) days after such records are destroyed. The certificate of destruction shall be provided to County's Contract Manager upon County's request.

8.38.2 **Access to Records**

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

the authorized retention period but shall last as long as the records are retained.

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

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

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

8.38.3 **Monitoring Reviews**

8.38.3.1 Subrecipient shall provide the Services herein under the general supervision of County's Department Head and his/her authorized administrators who are designated in Paragraph 6.0 (Administration of Subaward-County). County shall supervise, monitor and specify the kind, quality, appropriateness, timeliness and amount of the Services to be provided by Subrecipient as well as the criteria for determining the persons to be served (Clients). Subrecipient shall extend to County and to representatives authorized by County (including,

but not limited to, State and Federal representatives) the right to observe, review and monitor Subrecipient's facilities, programs, records, procedures, performance, activities, or documents, which are used under this Subaward. Subrecipient shall provide County (or other designated authorities) the right to conduct such reviews at any time during County's hours of operation. County (or other designated authorities) shall not unreasonably interfere with Subrecipient's performance. The requirements of this Subparagraph 8.38 shall also apply to Lower Tier Subrecipients providing Services on behalf of Subrecipient.

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

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

8.38.4 **Independent Audit Requirements**

8.38.4.1 Title 45 Code of Federal Regulations Part 75.500 et seq. requires that organizations which expend \$750,000 or more in a year in Federal awards, including pass-through awards, shall obtain an annual audit (either a single audit or Program-specific audit). When Subrecipient's organization meets this requirement (as specified in Title 45 Code of Federal Regulations Part 75.500 et seq.), Subrecipient shall ensure that such audit shall be conducted by an independent auditor in accordance with the requirements outlined in Title 45 Code of Federal Regulations Part 75.500 et seq. (and any amendments or supplements thereto).



Subrecipient shall submit an audit engagement letter as confirmation of the audit to be conducted by the independent auditor and such letter shall be submitted to County's Compliance Manager in the time and manner as directed by County. Upon auditor's completion of the single audit or the Program-specific audit, Subrecipient shall obtain both the data collection form and the reporting package (i.e., auditor's report), as described in Title 45 Code of Federal Regulations Part 75.500 et seq., from the auditor for each audit period (i.e., each Fiscal Year or Program Year). Subrecipient shall submit a copy of the auditor's report to County's Compliance Manager within thirty (30) days after receipt of auditor's report but no later than nine (9) months following the end of the audit period.

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

8.38.4.3 Title 45 Code of Federal Regulations Part 75.500 et seq. requires that organizations which expend \$750,000 or more in a year in Federal awards, including pass-through awards, shall obtain an annual audit (either a single audit or Program-specific audit). When Subrecipient's organization meets this requirement (as specified in Title 45 Code of Federal Regulations Part 75.500 et seq.), Subrecipient shall ensure that such audit shall be conducted by an independent auditor in accordance with the requirements outlined in Title 45 Code of Federal Regulations Part 75.500 et seq. (and any amendments or supplements thereto). Subrecipient shall submit an audit engagement letter as confirmation of the audit to be conducted by the independent auditor and such letter shall be submitted to County's Compliance Manager in the time and manner as directed by County. Upon auditor's completion of the single audit or the Program-specific audit, Subrecipient shall obtain

both the data collection form and the reporting package (i.e., auditor's report), as described in Title 45 Code of Federal Regulations Part 75.500 et seq., from the auditor for each audit period (i.e., each Fiscal Year or Program Year). Subrecipient shall submit a copy of the auditor's report to County's Compliance Manager within thirty (30) days after receipt of auditor's report but no later than nine (9) months following the end of the audit period.

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

**8.38.5 Failure to Comply With Requirements**

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

**8.39 RECYCLED BOND PAPER**

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

**8.40 LOWER TIER SUBAWARD**

8.40.1 Subrecipient shall not delegate the requirements of this Subaward to a third-party ("Lower Tier Subrecipient") without the advance written approval of County. Any attempt by Subrecipient to enter into a Lower Tier Subaward for that purpose without the prior written consent of County shall be deemed a material breach of this Subaward. Subrecipient shall provide a draft copy of the proposed Lower Tier Subaward to County's Contract Manager, and shall allow County a minimum of sixty (60) days to complete its review process. As such,

Subrecipient shall ensure that it provides the Lower Tier Subaward to County well in advance of its intended date to execute the Lower Tier Subaward (i.e., in order for Subrecipient to meet its target date for executing the Lower Tier Subaward, Subrecipient shall factor County's sixty (60) day review process into its timeframe for executing the Lower Tier Subaward).

8.40.2 If Subrecipient desires to enter into a Lower Tier Subaward for the purpose of delegating any of the requirements of this Subaward, Subrecipient shall complete Exhibit Y (List of Lower Tier Subawards) and at County's request shall promptly provide the following information either on or along with Exhibit Y (List of Lower Tier Subawards):

8.40.2.1 Lower Tier Subrecipient's name and contact information; a description of the Work to be performed by Lower Tier Subrecipient; Lower Tier Subaward number; and Lower Tier Subaward amount.

8.40.2.2 A draft copy of the proposed Lower Tier Subaward.

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

8.40.3 Subrecipient shall indemnify, defend, and hold County harmless with respect to the activities of each and every Lower Tier Subrecipient in the same manner and to the same degree as if such Lower Tier Subrecipient(s) was Subrecipient's employee.

8.40.4 Subrecipient shall remain fully responsible for all performances required of it under this Subaward, including those that Subrecipient has determined to grant through a Lower Tier Subaward, notwithstanding County's approval of Subrecipient's proposed Lower Tier Subaward.

8.40.5 County's consent to allow Subrecipient to enter into a Lower Tier Subaward with a third-party shall not waive County's right to prior and continuing approval of any and all personnel, including Lower Tier Subrecipient employees, providing Services under this Subaward. Subrecipient is responsible for notifying its Lower Tier Subrecipients of this County right.

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

8.40.7 Subrecipient shall be solely liable and responsible for all payments or other compensation to all Lower Tier Subrecipients and their officers, employees, agents, and successors in interest arising through Services performed hereunder, notwithstanding County's consent to allow Subrecipient to enter into such Lower Tier Subaward(s).

8.40.8 Subrecipient shall obtain current valid certificates of insurance, which establish that the Lower Tier Subrecipient maintains all the programs of insurance required by County. Such certificates of insurance shall indicate the Lower Tier Subaward number. Before any Lower Tier Subrecipient employee performs any Work hereunder, Subrecipient shall deliver all such certificate of insurance documents to County as follows:

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

8.40.9 Amending a Lower Tier Subaward may be initiated by either Subrecipient or County. When an amendment is initiated by County, County shall outline the reason(s) for the amendment and Subrecipient shall comply with County's request. All Lower Tier Subaward amendments are subject to review and must be approved in writing by County before they are executed. Subrecipient shall provide a draft copy of the proposed amendment to County's Contract Manager, and shall allow County thirty (30) days to complete its review process. After County's approval of Subrecipient's amendment, Subrecipient shall forward a copy of the fully executed amendment to County's Contract Manager within five (5) days of its execution.

8.40.10 Subrecipient shall adhere to all applicable Federal, State and/or County requirements for the procurement of a Lower Tier Subrecipient(s) and/or vendor services using Subaward Sums.

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

8.40.12 Subrecipient shall ensure that Lower Tier Subrecipient complies with all of the rules and regulations applicable to WIOA or whatever law is being administered.

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

8.41.1 Failure of Contractor (that is "Subrecipient") to maintain compliance with the requirements set forth in Subparagraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute default under this

Contract (that is "Subaward"). Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this Contract pursuant to Subparagraph 8.43 (Termination for Default) and pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.202.

**8.42 TERMINATION FOR CONVENIENCE**

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

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

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

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

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

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

**8.43 TERMINATION FOR DEFAULT**

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

8.43.1.1 Subrecipient has materially breached this Subaward; or

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

- 8.43.1.3 Subrecipient fails to demonstrate a high probability of timely fulfillment of performance requirements under this Subaward, or of any obligations of this Subaward and in either case, fails to demonstrate convincing progress toward a cure within five (5) business days (or such longer period as County may authorize in writing) after receipt of written notice from County specifying such failure.
  
- 8.43.2 In the event that County terminates this Subaward in whole or in part as provided in Subparagraph 8.43.1, County may procure, upon such terms and in such manner as County may deem appropriate, goods and Services similar to those so terminated. Subrecipient shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and Services. Subrecipient shall continue the performance of this Subaward to the extent not terminated under the provisions of this Subparagraph 8.43.
  
- 8.43.3 Except with respect to defaults of any Lower Tier Subrecipient, Subrecipient shall not be liable for any such excess costs of the type identified in Subparagraph 8.43.2 if its failure to perform this Subaward arises out of causes beyond the control and without the fault or negligence of Subrecipient. Such causes may include, but are not limited to: acts of nature or of the public enemy, acts of County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of Subrecipient. If the failure to perform is caused by the default of a Lower Tier Subrecipient, and if such default arises out of causes beyond the control of both Subrecipient and Lower Tier Subrecipient, and without the fault or negligence of either of them, Subrecipient shall not be liable for any such excess costs for failure to perform, unless the goods or Services to be furnished by the Lower Tier Subrecipient were obtainable from other sources in sufficient time to permit Subrecipient to meet the required performance schedule. As used in this Subparagraph 8.43, the term "Lower Tier Subrecipient(s)" means Lower Tier Subrecipient(s) at any tier.
  
- 8.43.4 If, after County has given notice of termination under the provisions of this Subparagraph 8.43, it is determined by County that Subrecipient was not in default under the provisions of this Subparagraph 8.43, or that the default was excusable under the provisions of Subparagraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subparagraph 8.42 (Termination for Convenience).
  
- 8.43.5 The rights and remedies of County provided in this Subparagraph 8.43, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Subaward.

**8.44 TERMINATION FOR IMPROPER CONSIDERATION**

- 8.44.1 County may, by written notice to Contractor (that is "Subrecipient"), immediately terminate the right of Contractor to proceed under this Contract (that is "Subaward") if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to Contractor's performance pursuant to this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.
- 8.44.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to County of Los Angeles Department of Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

**8.45 TERMINATION FOR INSOLVENCY**

- 8.45.1 County may terminate this Subaward forthwith in the event of the occurrence of any of the following:
  - 8.45.1.1 Insolvency of Subrecipient. Subrecipient shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Subrecipient is insolvent within the meaning of the Federal Bankruptcy Code;
  - 8.45.1.2 The filing of a voluntary or involuntary petition regarding Subrecipient under the Federal Bankruptcy Code;
  - 8.45.1.3 The appointment of a Receiver or Trustee for Subrecipient; or
  - 8.45.1.4 The execution by Subrecipient of a general assignment for the benefit of creditors.
- 8.45.2 The rights and remedies of County provided in this Subparagraph 8.45 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Subaward.

**8.46 TERMINATION FOR NON - ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

- 8.46.1 Contractor (that is "Subrecipient") and each County Lobbyist or County Lobbying firm, as defined in Los Angeles County Code

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

**8.47            TERMINATION FOR NON - APPROPRIATION OF FUNDS**

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

**8.48            VALIDITY**

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

**8.49            WAIVER**

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

**8.50            WARRANTY AGAINST CONTINGENT FEES**

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

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

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

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



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

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

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

**8.53 TIME OFF FOR VOTING**

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

**8.54 MINIMUM WAGE REQUIREMENTS**

**8.54.1 Minimum Wage**

8.54.1.1 Pursuant to Los Angeles County Code Chapter 8.100 (Minimum Wage), County of Los Angeles has established the Los Angeles County Minimum Wage Ordinance ("Minimum Wage Ordinance"). When Subrecipient provides Program Services in Los Angeles County (including the unincorporated areas and any city), Subrecipient shall adhere to County's minimum wage requirements. As an employer (which means any person, as defined in the California Labor Code, General Provisions, Section 18, including such person, association, organization, partnership, business trust, limited liability company, corporation, corporate officer or executive, who directly, indirectly or through an agent or any other person, including through the services of a temporary service or staffing agency

or similar entity, employs or exercises control over the wages, hours or working conditions of any employee), Subrecipient shall pay its employees no less than the hourly rates set forth in this Subparagraph 8.54.1.

8.54.1.2 Subrecipient with twenty-six (26) or more employees shall pay employees a wage of no less than the following hourly rates:

8.54.1.2.1 On July 1, 2016, the hourly wage shall be \$10.50.

8.54.1.2.2 On July 1, 2017, the hourly wage shall be \$12.00.

8.54.1.2.3 On July 1, 2018, the hourly wage shall be \$13.25.

8.54.1.2.4 On July 1, 2019, the hourly wage shall be \$14.25.

8.54.1.2.5 On July 1, 2020, the hourly wage shall be \$15.00.

8.54.1.3 Subrecipient with twenty-five (25) or fewer employees shall pay employees a wage of no less than the following hourly rates:

8.54.1.3.1 On July 1, 2017, the hourly wage shall be \$10.50.

8.54.1.3.2 On July 1, 2018, the hourly wage shall be \$12.00.

8.54.1.3.3 On July 1, 2019, the hourly wage shall be \$13.25.

8.54.1.3.4 On July 1, 2020, the hourly wage shall be \$14.25.

8.54.1.4 For purposes of this Subparagraph 8.54.1, the number of employees employed by Subrecipient shall be determined by calculating the average number of employees employed during the previous calendar year.

#### 8.54.2 **Retaliatory Action Prohibited**

8.54.2.1 Subrecipient shall not discharge, reduce in compensation or otherwise discriminate against any employee for opposing any practice proscribed by this Minimum Wage Ordinance, for participating in proceedings related to this Minimum Wage Ordinance, for seeking to enforce his/her rights provided under this Minimum Wage Ordinance by any lawful means or for otherwise asserting his/her rights under this Minimum Wage Ordinance.

- 8.54.3 **No Waiver of Rights**
  - 8.54.3.1 Any purported waiver by Subrecipient of any or all of the provisions of this Minimum Wage Ordinance shall be deemed contrary to public policy, void and unenforceable.
- 8.54.4 **Conflict with Other Laws, Severability and Savings**
  - 8.54.4.1 Nothing in this Minimum Wage Ordinance shall be interpreted or applied so as to create any power or duty in conflict with any Federal or State law.
  - 8.54.4.2 If any section, subsection, sentence, clause or phrase of this Minimum Wage Ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Minimum Wage Ordinance.
  - 8.54.4.3 This Minimum Wage Ordinance provides for payment of a local minimum wage and shall not be construed to preempt or otherwise limit or affect the applicability of any other law, regulation, requirement, policy or standard that provides for payment of higher or supplemental wages or benefits or that extends other protections.
- 8.54.5 **Coexistence with Other Available Relief**
  - 8.54.5.1 The provisions of this Minimum Wage Ordinance shall not be construed as limiting any employee's right to obtain relief to which he/she may be entitled at law or in equity.
- 8.54.6 **Exemptions**
  - 8.54.6.1 Subrecipient shall be exempt from this Minimum Wage Ordinance when Subrecipient falls within any of the following categories: a person not subject to, or exempt from, the State minimum wage, as provided under California Labor Code Section 1197 and wage orders published by the California Industrial Welfare Commission; or, a public entity (including Federal, State, County and city entities (including school districts)).
  - 8.54.6.2 In the event that Subrecipient is exempt from this Minimum Wage Ordinance, Subrecipient agrees to make a good faith effort to implement the requirements outlined herein.

**9.0 UNIQUE TERMS AND CONDITIONS**

**9.1 ALLEGATIONS OF FRAUD AND/OR ABUSE**

- 9.1.1 **Fraud Prevention Reporting**
  - 9.1.1.1 Subrecipient's staff working on this Subaward shall immediately report all suspected or actual instances of fraud as designated in Exhibit Q (Accounting, Administration and Reporting Requirements).
- 9.1.2 **Child Abuse Reporting**

9.1.2.1 Subrecipient's staff working on this Subaward shall comply with the Child Abuse and Neglect Reporting Act (California Penal Code (PC) Section 11164 et seq.), and shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by the referenced Penal Code. Additionally, Subrecipient's staff working on this Subaward shall also report such abuse to the County of Los Angeles Department of Children and Family Services by calling the hotline at (800) 540-4000 within twenty-four (24) hours of discovering or suspecting the abuse. Subrecipient's staff shall submit all required information to the appropriate authorities in accordance with PC Sections 11166 and 11167.

9.1.3 **Elder and Dependent Adult Abuse Reporting**

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

9.1.4 **Withholding of Payment**

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

**9.2 AMERICANS WITH DISABILITIES ACT (ADA)**

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

**9.3 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE**

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

**9.4 INTENTIONALLY OMITTED**

**9.5 FIXED ASSETS, NON-FIXED ASSETS AND SUPPLIES**

9.5.1 Subrecipient may use Subaward Sums to purchase Fixed Assets, Non-Fixed Assets and Supplies, which are defined in Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies). Prior to the commencement of this Subaward, Subrecipient shall complete Exhibit T (Inventory Control Form) and submit it to County's Contract Manager in the time and manner as designated by County. Subrecipient shall adhere to the purchase, inventory and disposal requirements for all Fixed Assets, Non-Fixed Assets and Supplies purchased with Subaward Sums, as provided by Federal and State regulations as well as the requirements outlined in Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies).

9.5.2 This Subaward involves the furnishing of equipment, materials and/or supplies. As such, it is unlawful for Subrecipient when engaged in business within the State to use any article or product as a "loss leader" as defined in the Business and Professions Code Section 17030.

**9.6 LIMITATION ON CORPORATE ACTS**

9.6.1 Subrecipient shall not amend its articles of incorporation or bylaws, move to dissolve or transfer any assets obtained using Subaward Sums, or take any other steps which may materially

affect the performance of this Subaward without first notifying County in writing no less than thirty (30) days prior to said action. Subrecipient shall notify County's Contract Manager immediately in writing of any change in Subrecipient's corporate name.

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

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

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

9.6.2.3 Terminate this Subaward pursuant to Subparagraph 8.43 (Termination for Default).

**9.7 LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM**

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

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

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

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

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

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

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

9.7.5 The above penalties shall also apply when Contractor has previously obtained proper certification; however, as a result of a change in its status, Contractor is no longer be eligible for certification, and fails to notify the State, the Department of Consumer and Business Affairs and Internal Services Department (ISD) of this information prior to responding to a solicitation or accepting a contract.

**9.8 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN**

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

**9.9 MODIFICATIONS**

**9.9.1 Modifications to this Subaward**

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

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

9.9.1.1.2 Allows Subrecipient to fully utilize Subaward Sums to fulfill the requirements of this Subaward and adequately cover the provision of Services.

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

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

9.9.2 **Budget Modifications**

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

9.9.3 **Program Modifications**

9.9.3.1 The movement of Services from one Service category (as defined in Exhibit A (Statement of



Work)) to another is classified as a Program Modification. Subrecipient shall notify County's Program Manager in writing to request authorization prior to submitting a Program Modification. On the date County approves a Program Modification, such Program Modification shall supersede any prior Program Modification(s) approved by County within the same Fiscal Year or Program Year (i.e., when Subrecipient's Program Modification number two (2) is approved by County, it becomes effective upon the approval date and Subrecipient's Program Modification number one (1) is no longer effective as of that same date).

**9.10 NEPOTISM**

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

**9.11 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT**

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

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

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

plainly and prominently marked by Subrecipient as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.

- 9.11.4 County will use reasonable means to ensure that Subrecipient's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Subrecipient.
- 9.11.5 Notwithstanding any other provision of this Subaward, County will not be obligated to Subrecipient in any way under Subparagraph 9.11.4 for any of Subrecipient's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Subparagraph 9.11.3 or for any disclosure which County is required to make under any Federal or State law or order of court.
- 9.11.6 Notwithstanding any other provision of this Subaward, County and Subrecipient agree that County shall have all ownership rights of software or modification thereof and associated documentation designed, developed or installed using Federal financial participation. The Federal government shall have a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal government purposes, such software, modifications and documentation. Notwithstanding any other provision of this Subaward, proprietary operating/vendor software packages, which are provided at established catalog or market prices and sold or leased to the general public, shall not be subject to the ownership provisions of this Subparagraph 9.11.
- 9.11.7 All the rights and obligations of this Subparagraph 9.11 shall survive the expiration or termination of this Subaward.

**9.12 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION**

- 9.12.1 Subrecipient shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third-party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Subrecipient's Work under this Subaward. County shall inform Subrecipient as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Subrecipient's defense and settlement thereof.
- 9.12.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Subrecipient, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

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

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

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

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

## **9.13 PROBATION AND SUSPENSION**

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

### **9.13.2 Probation**

9.13.2.1 Probation as used herein shall mean a specified period of time (as determined by County) during which Subrecipient must remedy all areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Subrecipient's adherence to such remedy(ies) during the probation.

9.13.2.2 When County places Subrecipient on probation, County shall provide Subrecipient a written notice indicating the reasons for the probation (which shall include a description of the areas of Subrecipient's non-compliance), the date upon which this probation shall become effective, the date upon which Subrecipient shall fully remedy all areas of non-compliance and a determination as to whether or not Subrecipient may continue to provide Services during the probation.

9.13.2.3 Subrecipient's ability to obtain future funding may be impacted when Subrecipient does not remedy its non-compliance during its probation and/or when Subrecipient is placed on multiple probations (as determined by County at County's sole discretion).

### **9.13.3 Suspension**

9.13.3.1 Suspension as used herein shall mean a specified

period of time (as determined by County) during which County will withhold payment from Subrecipient (i.e., suspension of payment(s)), County will institute a temporary curtailment of the Services provided by Subrecipient and its Lower Tier Subrecipient(s), if any, (i.e., suspension of Work) or a combination thereof. This Subaward may be suspended in whole or in part, from time to time, when such action is deemed by County in its sole discretion to be in County's best interest. During the suspension, Subrecipient has a continuing obligation to remedy the areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Subrecipient's adherence to such remedy(ies) during the suspension.

9.13.3.2 When County suspends Subrecipient, County shall provide Subrecipient a written notice indicating the type of suspension, the reasons for such suspension (which shall include a description of the areas of Subrecipient's non-compliance), the date upon which this suspension shall become effective, the date upon which Subrecipient shall fully remedy all areas of non-compliance and a determination as to whether or not Subrecipient may continue to provide Services which are not suspended during the suspension. When County institutes a temporary curtailment of Services, the written notice shall include a description of the Service(s) being suspended.

9.13.3.3 At County's sole discretion, when Subrecipient's payment(s) and/or Services are suspended, County may also elect to transfer suspended Services from Subrecipient to another subrecipient for a period of time that will be determined solely by County. Subrecipient's ability to obtain future funding may be impacted when Subrecipient does not remedy its non-compliance during its suspension and/or when Subrecipient is placed on multiple suspensions (as determined by County at County's sole discretion).

9.13.3.4 Upon receipt of a notice of suspension of Services and except as otherwise directed by County, Subrecipient shall:

9.13.3.4.1 Stop providing Services under this Subaward on the date and to the extent specified in such notice.

9.13.3.4.2 Complete performance of such part of the Services that is not suspended by such notice.

9.13.3.5 Subrecipient shall be promptly paid for Services properly completed up until the time of suspension. Such payment is contingent upon Subrecipient

properly completing and timely submitting its invoice(s) for Services completed up until the effective date of suspension.

9.13.3.6 Suspension shall continue for the period specified in the written notice of suspension provided to Subrecipient, unless County provides written notice to resume Services at an earlier date.

9.13.3.7 All other terms and remedies provided in this Subaward, including provisions for Termination, shall remain valid during any period of suspension.

9.13.4 In response to the notice of probation or suspension, Subrecipient shall submit a written Corrective Action Plan to County's Compliance Manager within ten (10) days of the postmark date indicated on the notice from County. Subrecipient's Corrective Action Plan shall address all of the deficiencies noted by County.

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

9.13.6 Subrecipient shall implement the Corrective Action Plan upon receiving County's final written approval of the Corrective Action Plan. Subrecipient's failure to comply with an approved Corrective Action Plan will be cause for material breach of this Subaward upon which County may pursue the remedies for default of Subaward, including, but not limited to, reimbursement for all debt collection costs incurred by County.

## **9.14 TRANSITION OF SUBAWARD SERVICES**

### **9.14.1 Completion of Subaward**

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

### **9.14.2 Transition Plan**

9.14.2.1 If this Subaward (or any part thereof) is terminated pursuant to any of the termination provisions outlined herein or if it expires pursuant to Paragraph 4.0 (Term of Subaward), Subrecipient shall provide a Transition Plan to County. Subrecipient shall submit said Transition Plan to County's Contract Manager within the timeframe designated by

County in the notice of termination or Subrecipient shall submit it at least sixty (60) days prior to the expiration of this Subaward as noted in Paragraph 4.0 (Term of Subaward).

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

9.14.3 **Elements of the Transition Plan**

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

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

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

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

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

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

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

9.14.3.8 A fully documented inventory of all Fixed and Non-Fixed Assets as well as a method to dispose, transfer or return to County all Fixed and Non-Fixed Assets purchased with Subaward Sums during the entire term of this Subaward.

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

9.14.4 **Implementation of the Transition Plan**

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

**9.15 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM**

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

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

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

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

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

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

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

9.15.5 The above penalties shall also apply when Contractor has previously obtained proper certification; however, as a result of a change in its status, Contractor is no longer be eligible for certification, and fails to notify the certifying department of this information prior to responding to a solicitation or accepting a contract.

**9.16 TRAVEL EXPENSES**

- 9.16.1 Subrecipient shall obtain prior written approval from County's Contract Manager for any expenses under this Subaward related to travel outside of Los Angeles County.
- 9.16.2 Subrecipient shall maintain written documentation evidencing that all out-of-town travel expenses are specifically related to providing Services under this Subaward, in conformity with the document retention requirements specified in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement).
- 9.16.3 Subrecipient shall ensure that no more than two (2) of its staff incur any out-of-town travel expenses at any time.
- 9.16.4 Subrecipient shall not invoice County if out-of-town travel expenses are incurred without proper documentation evidencing County's prior written approval.
- 9.16.5 Subrecipient's non-compliance with the requirements of this Subparagraph 9.16 will result in these costs being disallowed, payments being withheld or other remedy being applied as County shall determine to be appropriate.
- 9.16.6 Subaward Sums may not be used for travel and conference activities that are not in compliance with Office of Management and Budget Memorandum M-12-12.

**9.17 DRUG-FREE WORKPLACE**

- 9.17.1 Subrecipient and its Lower Tier Subrecipient(s) shall adhere to the requirements outlined in the California Drug-Free Workplace Act of 1990, as amended (California Government Code Section 8350 et seq.). Subrecipient and its Lower Tier Subrecipient(s) shall also adhere to the requirements outlined in the Federal Drug-Free Workplace Act of 1988, including its implementing regulations (Title 41 United States Code Section 701 et seq.). Subrecipient and its Lower Tier Subrecipient(s) shall provide and maintain a drug-free workplace for all of their employees, and shall have a documented anti-drug policy and a drug-free awareness program. Violation of or non-compliance with these requirements by Subrecipient, its Lower Tier Subrecipient or both shall subject Subrecipient to remedies available under the terms of this Subaward. Such remedies shall include suspending Subrecipient's payments, placing Subrecipient on probation or suspension, terminating this Subaward or other available remedies which shall be determined by County at County's sole discretion.
- 9.17.2 Subrecipient shall provide a written drug-free workplace policy statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and stating the specific actions that will be taken for violations.
- 9.17.3 The ongoing drug-free awareness program must inform employees about the following: the dangers of drug abuse; available drug counseling, rehabilitation, and employee assistance programs; penalties that may be imposed; and, that employees are to be aware that Subrecipient and its Lower Tier



Subrecipient(s) operate a drug-free workplace.

- 9.17.4 Subrecipient shall require its employees to report in writing any conviction for a violation of a criminal drug statute occurring in the workplace. Subrecipient shall provide written notice to County's Contract Manager within ten (10) days of having received such notice from employee(s). Within thirty (30) days of receiving the notice of a conviction, Subrecipient must have taken appropriate action against the employee(s) or have required employee's participation in a drug abuse assistance or rehabilitation program.

**9.18 INFORMATION TECHNOLOGY, SECURITY AND PRIVACY REQUIREMENTS**

- 9.18.1 This Subparagraph 9.18 sets forth the requirements for the information technology systems which Subrecipient shall use in the course of completing the Work and providing Services under this Subaward. This Subparagraph 9.18 also sets forth the security procedures for these systems which Subrecipient shall have in place by the effective date of this Subaward and which Subrecipient shall maintain throughout the Subaward term. They present a minimum standard only. Subrecipient shall implement appropriate administrative, physical and technical measures to secure its systems and data to protect and ensure the privacy, confidentiality, integrity and availability of County Information Assets as defined in Subparagraph 9.18.5 (County Information Assets) (which consists of but is not limited to confidential County data, Personally Identifiable Information, Protected Health Information and Medical Information) against internal and external threats, vulnerabilities and risks. Subrecipient shall also continuously review and revise those measures to address ongoing threats, vulnerabilities and risks.

- 9.18.2 Subrecipient's failure to comply with the minimum standards set forth herein will constitute a material, non-curable breach of this Subaward, entitling County, in addition to and cumulative of all other remedies available to it at law, in equity, or under this Subaward, to immediately terminate this Subaward.

**9.18.3 Information Technology Systems - Contract Management System-Contractor's Gateway**

- 9.18.3.1 County has implemented use of the Contract Management System Contractor's Gateway ("Contractor's Gateway"), an automated system designed to electronically manage this Subaward. Subrecipient shall use the System to perform its administrative contracting functions as directed by County.

- 9.18.3.2 County has established policies concerning the access, use and maintenance of the Contractor's Gateway. Subrecipient shall adhere to these policies, which are identified in Exhibit V (Contract Management System - Contractor's Gateway Terms and Conditions of Use), instruction guides/tutorials provided by County, training sessions conducted by County, etc. Subrecipient's non-compliance with these policies may subject Subrecipient to denial of

access to the Contractor's Gateway, suspension of payment(s), termination of this Subaward, and/or other remedies/actions which County may take at its sole discretion under the terms of this Subaward and/or applicable law or regulation.

9.18.4 **Information Technology Systems - SCSEP Performance and Results QPR System**

9.18.4.1 **Data Entry**

9.18.4.1.1 Subrecipient shall enter Client program and Client data into the Department of Labor's SCSEP Performance and Results QPR ("SPARQ") System using the Web-Based Data Collection System (WDCS) on an on-going, daily basis, as updates and activities occur. Subrecipient shall also ensure that all errors identified in the SPARQ System must be cleared and the data must be timely, complete, accurate, and verifiable.

9.18.4.1.2 Subrecipient shall complete direct data entry of the required Program, Service delivery and Client data into the SPARQ within ten (10) days of Service delivery. Subrecipient shall not back-date any data and any attempts to do so may subject Subrecipient to appropriate remedies as determined by County at County's sole discretion.

9.18.4.1.3 Subrecipient shall create a plan to ensure accuracy of data form all levels which includes a method for Subrecipient or Lower Tier Subrecipients to verify the accuracy of the data prior to submission to State and/or County.

9.18.4.1.4 Subrecipient shall adhere to CalJOBS user access requirements as set forth by County. This includes ensuring that only vetted staff are provided access to the CalJOBS system and that access is terminated upon release from employment; access termination shall occur no more than three (3) business days after last date of employment. Subrecipient shall use County issued forms to request CalJOBS user access or termination.

9.18.4.2 **Data Records**

9.18.4.2.1 Subrecipient's failure to submit the required SPARQ data within the time and manner as designated by County

may subject Subrecipient to appropriate remedies as determined by County at County's sole discretion. Remedies will remain in effect until Subrecipient becomes compliant. County will consider Subrecipient's non-compliance during future funding decisions.

9.18.4.2.2 Subrecipient shall maintain all records and reports, consistent with Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement), and shall make them available for audit, assessment, or inspection by County and any of its duly authorized representatives (including, but not limited to, State authorities, Federal agencies and/or any of their duly authorized representatives).

9.18.4.2.3 All information, records, data elements and print-outs collected and maintained for the operation of the Program and pertaining to Clients (including paper and electronic data) must be protected from unauthorized disclosures in accordance with Subparagraph 7.6 (Confidentiality), California Welfare and Institutions Code Section 10850, Title 45 Code of Federal Regulations Part 205.50, California Information Practices Act of 1977, and all other applicable laws and regulations.

9.18.4.3 **SPARQ Personnel**

9.18.4.3.1 Subrecipient shall assign an employee to have the primary responsibility for data entry into the SPARQ. This employee shall be the primary contact person for data issues and problems. This employee shall also be assigned a password to log-in and enter Program, Service delivery and Client data. Subrecipient shall designate a secondary/back-up employee who can act on behalf of the primary SPARQ employee contact in the event of his or her absence. Subrecipient shall ensure that its users do not share their user identification and password information.

9.18.4.3.2 Subrecipient shall provide the names of Subrecipient's primary and secondary SPARQ employees using Exhibit F (Subrecipient's Administration). Subrecipient shall

submit the completed Exhibit F (Subrecipient's Administration) in the time and manner as directed by County. In the event of any changes to the information provided in Exhibit F (Subrecipient's Administration), Subrecipient shall update Exhibit F (Subrecipient's Administration) and submit the revised document to County within two (2) weeks of any reassignment or substitution. Only those Subrecipient employees who have been designated by Subrecipient and assigned a password shall be allowed to access the SPARQ system.

9.18.4.3.3 Subrecipient shall ensure that the primary and secondary SPARQ employees are properly trained to operate the SPARQ and attend all SPARQ training provided by County to ensure that SPARQ operations are in compliance with all applicable regulations.

**9.18.5 County Information Assets**

9.18.5.1 County Information Assets are public, confidential, sensitive and/or personal data, records, materials, etc. and include (but are not limited to):

9.18.5.1.1 Information that is stored in any media form, paper or electronic.

9.18.5.1.2 Information that is collected, transmitted and/or accessed in the administration of the Program and in the provision of Services.

9.18.5.1.3 Personally Identifiable Information as defined in California Civil Code Section 1798.29(g).

9.18.5.1.4 Protected Health Information as defined in Health Insurance Portability and Accountability Act of 1996.

9.18.5.1.5 Medical Information as defined in California Civil Code Section 56.05(j).

**9.18.6 Physical and Environmental Security**

9.18.6.1 Subrecipient shall take reasonable measures to ensure the physical security of its operating location(s) that handles County Information Assets. Work areas containing computers or source documents should be secured from public access unless Subrecipient's representative is present. When unoccupied during non-operating hours,

Subrecipient's facility(ies) shall be locked.

**9.18.7 Data Destruction**

9.18.7.1 When Contractor (that is "Subrecipient") has maintained, processed or stored County Information Assets, implied or expressed, and such County Information Assets are no longer required to be retained by Contractor under this Contract (that is "Subaward") and applicable law, County shall have sole authority to determine when Contractor shall destroy any such County Information Assets as described herein. Contractor shall only proceed with the destruction of County Information Assets (which may be stored on purchased, leased or rented electronic storage equipment (e.g., printers, hard drives, etc.) and electronic devices (e.g., servers, workstations, etc.) that are geographically located within Los Angeles County or external to Los Angeles County's boundaries) upon receiving written authorization from County.

9.18.7.2 Contractor shall destroy such County Information Assets by:

9.18.7.2.1 Shredding or otherwise destroying paper, film, disk drives or other hard copy media so that the Personally Identifiable Information, Protected Health Information and Medical Information cannot be read or otherwise reconstructed.

9.18.7.2.2 Clearing, purging or destroying electronic media containing Personally Identifiable Information, Protected Health Information and Medical Information consistent with National Institute of Standards and Technology ("NIST") Special Publication ("SP") 800-88 (Guidelines for Media Sanitization) which is available on-line at: <http://csrc.nist.gov/publications/PubsDRAFTS.html#SP-800-88-Rev.> and United States Department of Defense 5220.22-M data sanitization and clearing directive such that the Personally Identifiable Information, Protected Health Information and Medical Information cannot be retrieved.

9.18.7.3 Contractor shall have the sole responsibility to certify that the County Information Assets have been appropriately destroyed consistent with the requirements outlined herein.

9.18.7.4 Contractor shall provide County with written certification validating that any and all County

Information Assets were placed in one (1) or more of the following stored states: unusable, unreadable and/or indecipherable. Contractor shall submit such certification to County's Contract Manager no later than ten (10) days after the occurrence of this event.

9.18.7.5 Subcontractor (that is "Lower Tier Subrecipient") shall provide County with written certification validating that any and all County Information Assets were destroyed and are in one (1) or more of the following states: unusable, unreadable and/or undecipherable. Subcontractor shall submit such certification to County's Contract Manager no later than ten (10) days after the removal of any electronic storage equipment and devices and the destruction of the County Information Assets.

9.18.8 **Encryption on Workstations and Portable Computing Devices**

9.18.8.1 Subrecipient shall use software and/or hardware encryption methods for confidential County Information Assets stored on all electronic media in accordance with the following standards:

9.18.8.1.1 Federal Information Processing Standard Publication ("FIPS") 140-2.

9.18.8.1.2 NIST SP 800-57 (Recommendation for Key Management - Part 1: General (Revision 3)).

9.18.8.1.3 NIST SP 800-57 (Recommendation for Key Management - Part 2: Best Practices for Key Management Organization).

9.18.8.1.4 NIST SP 800-111 (Guide to Storage Encryption Technologies for End User Devices).

9.18.8.1.5 At a minimum, Subrecipient shall use Advanced Encryption Standard ("AES") with cipher strength of 256-bit

9.18.8.1.6 Prior to use of remote servers (e.g., cloud storage, Software-as-a-Service (SaaS), etc.) for storage of County Information Assets, Subrecipient shall obtain written approval from County's Contract Manager.

9.18.8.2 Subrecipient shall use software and/or hardware encryption methods for transmitted (i.e., through network transmission) confidential County Information Assets in accordance with the following standards:

- 9.18.8.2.1 NIST SP 800-52 (Guidelines for the Selection and Use of Transport Layer Security Implementations).
- 9.18.8.2.2 NIST SP 800-57 (Recommendation for Key Management - Part 3: Application-Specific Key Management Guidance).
- 9.18.8.3 Subrecipient shall have operational policies, procedures and practices which protect County Information Assets as specified herein and in the State Administrative Manual Sections 5300 to 5365.3; California Government Code Section 11019.9; Department of General Services Management Memo (MM 06-12); Department of Finance Budget Letter (06-34); California Department of Aging Program Memorandum (PM 07-18(P)); and, County's Board of Supervisors Policy Manual (Contractor Protection of Electronic County Information) - policy number pending.
- 9.18.8.4 Subrecipient shall encrypt confidential, sensitive and/or personal County Information Assets which are stored on all electronic media (including workstations, portable computing devices (including, but not limited to, mobile devices, wearables, tablets, laptops, personal digital assistants, notebook computers, and backup media) and/or portable electronic storage media (including, but not limited to, discs, thumb/flash drives, external/portable hard drives, and backup media)).
- 9.18.8.5 **Removable Media**
  - 9.18.8.5.1 Except in the context of Subrecipient's routine back-ups or as otherwise specifically authorized by County in writing, Subrecipient shall institute strict administrative, physical and logical security controls to prevent transfer of County information to any form of removable media. For purposes of this Subaward, removable media means portable or removable hard disks, floppy disks, universal serial bus (USB) memory drives, zip disks, optical disks, CDs, DVDs, digital film, digital cameras, memory cards (e.g., secure digital (SD), memory sticks (MS), compact flash (CF), smart media (SM), multimedia card (MMC), and xD-picture card (xD)), magnetic tape and all other removable data storage media.
- 9.18.8.6 In the event that Subrecipient will have County

Information Assets on or accessed by mobile devices, Subrecipient shall have in place, a mobile computing policy, reviewable and audited by County. This policy must address device recovery and data eradication methods, the mobile device management capabilities in place, the use of personal devices versus Subrecipient-supplied devices and all applications that may have access to or render County Information Assets.

**9.18.8.7 Data Control and Media Servicing**

9.18.8.7.1 Subrecipient shall adhere to the requirements for back-up data stored by Subrecipient at off-site facilities as provided in this Subparagraph 9.18.8.7.

9.18.8.7.2 County Information Assets shall only be made available and accessible to those parties explicitly authorized under this Subaward or otherwise expressly approved by County in writing.

9.18.8.7.3 If transferred across the Internet, any wireless network (e.g., cellular, Bluetooth, 802.11x, or similar technology), or other public or shared networks, County Information Assets must be protected using industry standard encryption technology in accordance with the NIST SP 800-52 (Guidelines for the Selection and use of Transport Layer Security Implementations).

9.18.8.7.4 If transferred using removable media (as defined above), County Information Assets must be sent via a bonded courier or protected using industry standard encryption technology in accordance with NIST SP 800-111 (Guide to Storage Encryption Technologies for End User Devices).

9.18.8.7.5 In the event any hardware, storage media or removable media must be sent off-site for servicing, Subrecipient shall ensure that all confidential County Information Assets, including Personally Identifiable Information, Protected Health Information and Medical Information, have been cleared, purged and/or scrubbed from such hardware and/or media using industry best practices in accordance with NIST SP 800-88 (Guidelines for Media Sanitization).



9.18.8.8 Subrecipient shall certify its compliance with the encryption standards noted herein as a condition of executing this Subaward. Subrecipient provide such certification by completing and submitting Exhibit AA (Subrecipient's Compliance with Encryption Requirements) in the form and manner as determined by County. Subrecipient shall maintain compliance with this policy during the term of this Subaward and for as long as Subrecipient maintains or is in possession of County Information Assets. In addition to the foregoing certification, Subrecipient shall maintain any validation/attestation reports that the data encryption product generates and such reports shall be subject to audit in accordance with the requirements outlined in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement). In the event of Subrecipient's non-compliance with these requirements, County will require Subrecipient to develop and execute a corrective action plan. Subrecipient's failure to comply with this policy may subject Subrecipient to suspension or termination of this Subaward, denial of access to County information technology resources and/or other remedies which are deemed appropriate by County.

9.18.9 **Software Maintenance and Operational Management**

9.18.9.1 Subrecipient shall deploy up-to-date anti-virus software with current definitions on all computer systems on which County Information Assets are stored and/or transmitted.

9.18.9.2 Subrecipient shall ensure that all security patches, software updates/upgrades, etc. are applied to all computer systems on which County Information Assets are stored and/or transmitted.

9.18.9.3 Subrecipient shall deploy adequate back-up facilities to ensure that its essential business information can be promptly recovered in the event of a disaster or media failure.

9.18.9.4 Subrecipient shall ensure that its operating procedures are adequately documented and designed to protect information, computer media and data from theft and unauthorized access.

9.18.10 **Access Control**

9.18.10.1 Subrecipient shall implement formal procedures to control access to its systems, services and data, including, but not limited to, user account management procedures and other controls as outlined in this Subparagraph 9.18. Subrecipient shall ensure that network access to both internal and external networked services shall be controlled through the use of properly configured firewalls, etc. Operating systems will be used to enforce

access controls to computer resources including, but not limited to, authentication, authorization and event logging. Applications will include access control to limit user access to information and application system functions. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. Subrecipient shall record, review and act upon all events in accordance with incident response policies set forth herein.

9.18.10.2 Subrecipient shall develop, implement and enforce/maintain a password policy which requires users who are authorized to access confidential County Information Assets on electronic media to: create a strong complex password containing at least eight (8) characters, which shall include upper and lower case letters, digits and symbols; and, change his/her password at a minimum every ninety (90) days, etc.

9.18.10.3 Subrecipient shall develop, implement and enforce/maintain a password policy which provides for the following system requirements: when user changes his/her password, the system shall restrict user from re-using any of the last six (6) passwords; the system will lock itself after a minimum of three (3) to a maximum of five (5) failed logon attempts made by user within a thirty (30) minute time frame; and, the system will either lock itself or log off user after thirty (30) minutes of inactivity.

9.18.11 **Personnel and Subrecipient Protections**

9.18.11.1 Subrecipient shall screen and conduct background checks on all Subrecipient personnel exposed to confidential County Information Assets. Subrecipient shall require its employees and Lower Tier Subrecipient(s) to sign an appropriate written confidentiality/non-disclosure agreement. All Lower Tier Subawards requiring access to Subrecipient's systems and data, including all outsourcing arrangements and maintenance and support agreements (including facilities maintenance), shall specifically address security risks, controls and procedures for information systems. Subrecipient shall supply each of its employees with appropriate, ongoing training regarding information security procedures, risks, vulnerabilities and threats. Subrecipient shall have an established set of procedures to ensure Subrecipient employees promptly report actual and/or suspected breaches of security.

9.18.12 **County's Security Audit**

9.18.12.1 At County's sole discretion, County or its designee may annually, or more frequently, conduct a security audit to determine Subrecipient's adherence to the requirements outlined in this

Subparagraph 9.18.

9.18.12.2 County's security audit may include, but is not limited to, a review of the following elements, which shall be provided by Subrecipient upon County's request: a report on Subrecipient's encryption of all electronic media; Subrecipient's report verifying County's written authorization for data destruction along with documented certification of such destruction; and, Subrecipient's written assurance indicating that Subrecipient enforces security measures to control physical access (i.e., access to premises) and electronic access (i.e., access to electronic media) to County Information Assets.

9.18.13 **Security Incident Reporting**

9.18.13.1 A security incident occurs when County Information Assets are accessed, modified, destroyed or disclosed without proper authorization or are lost or stolen. A security incident includes (but is not limited to) instances in which Subrecipient employees access systems in excess of their user rights or use the systems inappropriately, data is breached, etc.

9.18.13.2 **Notification of Security Breach to County**

9.18.13.2.1 Subrecipient must immediately report all security incidents to County's Program Manager but in no event shall the report be made more than two (2) business days after its detection. Subrecipient shall initiate the contact by telephone and followed by written letter of any potential or actual security attacks or security incidents.

9.18.13.2.2 Subrecipient's notification of the security incident shall include the approximate date and time of its occurrence and a summary of the relevant facts, including a description of measures being taken to address the occurrence.

9.18.13.3 **Notification of Security Breach to Clients**

9.18.13.3.1 Subrecipient shall give written notice to any Client or data subject whose personal information may have been breached.

9.18.13.3.2 Subrecipient shall provide such written notice in the most expedient time possible and without unreasonable delay except when notification would impede a criminal investigation or, when necessary, measures to restore system integrity are required.

9.18.14 **Electronic Backups**

9.18.14.1 Subrecipient shall ensure that all electronic County Information Assets are protected by performing regular backup of automated files and databases, and ensure the availability of County Information Assets for continued business. Subrecipient shall ensure that any portable electronic media used for backups is encrypted.

**9.18.15 Cloud Storage**

9.18.15.1 Subrecipient and its Lower Tier Subrecipient(s) may not utilize cloud storage of County Information Assets without the prior express written authorization of County, after a review of the cloud service by County or its designee(s).

**9.18.16 Hardware Return**

9.18.16.1 Upon termination or expiration of this Subaward or at any time upon County's request, Subrecipient will return all hardware provided by County or purchased by Subrecipient using Subaward Sums. Subrecipient shall not alter or modify such hardware. Subrecipient shall physically seal the hardware and return it to County via a bonded courier or as otherwise directed by County in accordance with Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies).

9.18.16.2 In the event that the hardware contains confidential County Information Assets and is owned by Subrecipient or its Lower Tier Subrecipient, Subrecipient shall send a notarized statement, detailing the destruction method used and the data sets involved, the date of destruction and the company or individual who performed the destruction to County's Program Manager within fifteen (15) days of termination or expiration of this Subaward or at any time upon County's request. Subrecipient's destruction or erasure of Personal Information, Protected Health Information and Medical Information shall be in compliance with industry best practices as outlined in NIST SP 800-88 (Guidelines for Media Sanitization).

9.18.17 Subrecipient shall ensure that its Lower Tier Subrecipient(s) adheres to all of the provisions included in this Subparagraph 9.18.

**9.19 REMEDIES FOR NON-COMPLIANCE**

9.19.1 Subrecipient agrees to comply with the requirements set forth in the entirety of this Subaward as well as the requirements contained in supporting Program legislation and all applicable directives, bulletins, TEGs, Program memoranda, notices, guidelines and instructions issued by or on behalf of Federal, State or County authorities. Subrecipient's failure to comply with such requirements shall subject Subrecipient to remedies which are available under this Subaward and as provided by law. These remedies include but are not limited to the following:

probation; suspension of payment(s); suspension of Services; assessment and collection of liquidated damages; de-obligation of Subaward Funds (for purposes of this Subaward, de-obligation is the partial or full removal of Subaward Funds from Subrecipient); re-obligation of Subaward Funds (for purposes of this Subaward, re-obligation is the allocation of de-obligated Subaward Funds to another current subrecipient(s) and/or to a new subrecipient); debarment; and/or termination of this Subaward. County shall have the sole discretion to determine which remedy(ies) will be applied as a result of Subrecipient's non-compliance.

**9.20 DISABLED VETERAN BUSINESS ENTERPRISE PREFERENCE PROGRAM**

- 9.20.1 This Contract (that is "Subaward") is subject to the provisions of Los Angeles County's ordinance entitled Disabled Veteran Business Enterprise Preference Program as codified in Los Angeles County Code Chapter 2.211.
- 9.20.2 Contractor (that is "Subrecipient") shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Disabled Veteran Business Enterprise.
- 9.20.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Disabled Veteran Business Enterprise.
- 9.20.4 If Contractor has obtained County certification as a Disabled Veteran Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, Contractor shall:
  - 9.20.4.1 Pay to County any difference between the Contract amount and what County's costs would have been if this Contract had been properly awarded;
  - 9.20.4.2 In addition to the amount described in Subparagraph 9.20.4.1, be assessed a penalty in an amount of not more than ten percent (10%) of the amount of this Contract; and
  - 9.20.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).
- 9.20.5 The above penalties shall also apply when Contractor has previously obtained proper certification; however, as a result of a change in its status, Contractor is no longer be eligible for certification, and fails to notify the State and ISD of this

information prior to responding to a solicitation or accepting a contract.

**9.21 PAYMENT AND PERFORMANCE GUARANTIES**

9.21.1 County, at its sole discretion, reserves the right during the entire term of this Subaward as well as during any renewals or extensions, to require that a subrecipient provide a Payment and/or a Performance Guaranty in the amount and form directed by County at its sole discretion.

9.21.2 County, in its sole discretion, may issue such direction to Subrecipient, with not less than fifteen (15) days to comply, if County becomes aware of problems with Subrecipient's performance under this Subaward that reveal potential liability to County in an aggregate excess of \$25,000 including, but not limited to, disallowed costs, unsubstantiated costs, non-payments of vendors, etc. Should such a Payment or Performance Guaranty be required at any time during the performance of this Subaward, County reserves the right, at its sole discretion, to remove an imposed requirement for a Payment and/or Performance Guarantee at the start of each subsequent Subaward term, renewal or extension.

9.21.3 The costs to implement and pay for the guarantees are potentially allowable costs, however, there will be no additional funding added to Subrecipient's Subaward allocation or budget to pay for those costs. Therefore, Subrecipient will have to submit and seek approval of a budget modification, pursuant to Subparagraph 9.9.2 (Budget Modifications), from County to pay for these costs if Subrecipient intends to use other operational funds to do so while remaining responsible to meet all other required tasks, performance measures, and other requirements of this Subaward. Subrecipient may provide the required Performance Guarantee in its choice of any of the following forms:

9.21.3.1 **Surety Bond:** More information concerning surety bonds and companies may be obtained from the Surety Association of America ([www.surety.org](http://www.surety.org)), the Surety Information Office ([www.sio.org](http://www.sio.org)), State Insurance Departments, the United States Small Business Administration (SBA) and United States Department of the Treasury.

9.21.3.2 **Bank Letter of Credit:** Requirements for Bank Letter of Credit are outlined in Exhibit BB (Criteria and Standards for Letters of Credit and Certificates of Deposit).

9.21.3.3 **Cash or Certified Check**

9.21.3.4 **Certificate of Deposit:** which shall name Los Angeles County as being allowed to draw on the account. Requirements for Certificate of Deposit are outlined in Exhibit BB (Criteria and Standards for Letters of Credit and Certificates of Deposit).

9.21.4 The Payment or Performance Guaranty must be executed by a

corporate surety licensed to transact business as a surety in the State of California. The corporate surety must have an A.M. Best Rating of not less than A:VII, unless otherwise approved by County.

9.21.5 The Performance Guaranty may not allow the bond surety to substitute another person to perform Services. The Performance Guaranty must provide for payment of moneys to County, including but not limited to, payment of any liquidated damages, late penalty payments or County reimbursement costs.

9.21.6 The Payment and Performance Guaranties shall occur at the discretion of County, based on Subrecipient performance. Once required, at no time during the term of any Subaward shall the coverage fall below the required levels, as stated in this Subparagraph 9.21.

9.21.7 Non-payment of third-party vendors may be considered a violation of Subaward requirements and may require a Performance and/or Payment Guaranty.

9.21.7.1 The purpose of the Payment Guaranty is to ensure that all parties who supply labor, materials, services, etc. to Subrecipients have recourse if they do not get paid by Subrecipient. Payment guarantees allow third-party vendors to file a claim with the surety issuer who would review the claim and issue payment to the third party that was not paid. County will not be involved in this process other than to validate that the surety bond is in place from a qualified issuer and to ensure that Subrecipient informs third-party vendors of Payment Guaranty existence.

9.21.7.2 A Payment Guaranty shall only be secured by a surety bond as described in Subparagraphs 9.21.1 - 9.21.5 above.

9.21.8 Use of the Performance Guaranty would only be after the resolution process has been completed and "questioned costs" have been determined to be unsubstantiated costs, disallowed costs, etc.

## **9.22 SUBAWARD DOCUMENT DELIVERABLES**

9.22.1 Prior to the execution of this Subaward and throughout the entire term of this Subaward, Subrecipient shall obtain and maintain current and appropriate licenses, permits and certificates which are required by all applicable County, State and/or Federal laws, regulations, guidelines, bulletins, TEGs, Program memoranda and directives for the operation of its facility(ies) and for the provision of Services hereunder. Prior to the execution of this Subaward and annually thereafter (or as otherwise established by County), Subrecipient shall submit evidence/documentation (Subaward Document Deliverables) of its compliance with this requirement in the form and manner that is prescribed by County. These deliverables must be complete (without missing pages) and legible, and shall include:

- 9.22.1.1 Subaward Compliance Documents (as described in Subparagraph 9.22.3)
- 9.22.1.2 Business Forms (as described in Subparagraph 9.22.4)
- 9.22.1.3 Reporting Documents (as described in Subparagraph 9.22.5)
- 9.22.1.4 Other Documents: During the term of this Subaward, County or its designee(s) may request from time to time additional documents from Subrecipient, and Subrecipient shall adhere to County's request for such documents.

9.22.2 Subrecipient shall submit copies of all new or renewed licenses, permits, and certificates to County's Contract Manager within five (5) business days of the license, permit or certification award or renewal. Subrecipient shall immediately notify County of any lapses or expirations of these items. Subrecipient's failure to maintain and/or timely submit documents required or requested by County may result in County imposing remedies as determined by County in its sole discretion.

9.22.3 **Subaward Compliance Documents**

9.22.3.1 **Business License**

9.22.3.1.1 When the local governing authority requires Subrecipient's organization to obtain a license to operate and conduct business within its local governing authority's jurisdiction, Subrecipient shall obtain such license to perform the Services outlined in this Subaward. The local governing authority may be either the local city government for entities doing business within its city limits or County of Los Angeles for entities located outside of city limits (i.e., unincorporated areas or designated cities). Subrecipient shall ensure that the license is current throughout the entire term of this Subaward. Subrecipient shall provide a current copy of its license to County annually (or upon expiration, as noted on the license).

9.22.3.2 **Certificate of Insurance**

9.22.3.2.1 The certificate shall evidence Subrecipient's compliance with the insurance requirements outlined in Subparagraph 8.24 (General Provisions for all Insurance Coverage) and Subparagraph 8.25 (Insurance Coverage). Subrecipient shall also provide copies of the certificate of insurance as it relates to its Lower Tier



Subrecipient(s).

9.22.3.3 **Fire Department Inspection Report**

9.22.3.3.1 For each Service site that Client will visit, Subrecipient shall obtain an annual fire inspection of its facility(ies). The inspection shall be conducted by the Los Angeles County Fire Department or by Subrecipient's local fire department and Subrecipient shall obtain a written report of the inspection which shall be provided to County annually. In the event that violations are noted on the inspection report, Subrecipient shall ensure that it complies with all corrective measures as directed by the fire department. Subrecipient shall provide to County written evidence of its compliance within five (5) days of receiving the evidence from the fire department. The fire inspection report shall be current within the most recent twelve (12) month period.

9.22.4 **Business Forms**

9.22.4.1 **Articles of Incorporation**

9.22.4.1.1 This document, which evidences the legal formation of Subrecipient's organization, shall reflect Subrecipient's current legal name; and, County shall use this document as verification of Subrecipient's name. In the event there are any amendments or addendums to the articles of incorporation, Subrecipient shall provide copies of such amendments/addendums to County within five (5) days of said amendments/addendums being finalized.

9.22.4.1.2 When Subrecipient's organization is a local government or a consortium of local governments, Subrecipient shall provide either a city charter or a joint powers agreement respectively, in lieu of the articles of incorporation.

9.22.4.2 **Board of Director's Resolution**

9.22.4.2.1 A resolution which provides written evidence to support the delegated authority that Subrecipient's organization has vested in its Authorized Representative who will act on behalf of Subrecipient pursuant to Subparagraph 8.3 (Authorization

Warranty). Such written evidence shall adhere to the following requirements outlined in this Subparagraph 9.22.4.2.

9.22.4.2.2 If Subrecipient is a public entity (defined as the government of the United States; the government of a State or political subdivision of a State; or any interstate governmental agency), Subrecipient shall submit a copy of its resolution, order or motion which has been approved by its Governing Body (e.g., Board of Supervisors, City Council, etc.) and signed by the presiding chair person of the Governing Body to County. If Subrecipient is a private non-profit entity, Subrecipient shall submit a copy of written authorization from its Governing Body (e.g., Board of Directors) to County.

9.22.4.2.3 Subrecipient's resolution, order, motion or other authorization shall contain the following elements: reference to this Subaward number; authorize execution of this Subaward; identify Subrecipient's Authorized Representative who will execute the original Subaward and any subsequent amendments to this Subaward; and, approve and accept Subaward Sums. In the event that there is a change in Subrecipient's Authorized Representative, Subrecipient shall provide County a revised resolution, order, motion or other authorization which reflects the new Authorized Representative within five (5) days of being approved by the Governing Body.

9.22.4.3 **Board of Directors Roster**

9.22.4.3.1 The roster shall include the individuals who comprise Subrecipient's Board of Directors. In the event that the roster is updated, Subrecipient shall provide an updated roster to County within five (5) days of it being approved or finalized.

9.22.4.4 **Bylaws**

9.22.4.4.1 This document shall reflect the internal rules which govern Subrecipient's organization. These rules are generally concerned with the operation of the organization, and setting out the

form, manner or procedure in which the organization should operate. In the event that the bylaws are amended, Subrecipient shall provide such amendments to County within five (5) days of them being approved.

9.22.4.5 **Complaint Policies and Procedures**

9.22.4.5.1 Subrecipient's policies and procedures for receiving, investigating and responding to Client complaints shall be prepared and submitted to County pursuant to the requirements outlined in Subparagraph 8.5 (Complaints).

9.22.4.6 **Direct Deposit Authorization Form**

9.22.4.6.1 Document completed by Subrecipient for purposes of authorizing payment for Services to be received through direct deposit into Subrecipient's bank account. County shall provide the form to Subrecipient upon commencement of Subaward.

9.22.4.7 **Organization Chart**

9.22.4.7.1 The chart shall provide an outline of the hierarchy, relationships and relative ranks of Subrecipient's organizational parts and positions/jobs as it related to the operations of this Subaward. In the event that Subrecipient revises its organization chart, a copy shall be provided to County within five (5) days of any change in its organization chart.

9.22.4.8 **Lower Tier Subaward**

9.22.4.8.1 This executed third-party agreement (as defined in Subparagraph 8.40 (Lower Tier Subaward)) and any amendments or addendums thereto, shall be provided to County within five (5) days of the execution of that agreement, amendment and addendum.

9.22.4.9 **Tax Exempt Status Letter**

9.22.4.9.1 Written documentation that is obtained from the Internal Revenue Service as evidence of Subrecipient's tax exempt status. When Subrecipient is a non-profit entity, such evidence must reflect Subrecipient's tax exempt status. In the event Subrecipient's tax exempt status changes, Subrecipient shall provide County a copy of its new status within five (5) days of any

change in its tax exempt status.

9.22.4.10 **Terms and Conditions of Use-User Agreement**

9.22.4.10.1 Each employee who will access the Contract Management System - Contractor's Gateway shall complete and submit this agreement. Additional information is available in Exhibit V (Contract Management System - Contractor's Gateway Terms and Conditions of Use).

9.22.5 **Reporting Documents**

9.22.5.1 **Cost Allocation Plan**

9.22.5.1.1 This Plan, included herein as Exhibit Z (Cost Allocation Plan), shall adhere to the requirements outlined in Subparagraph 9.23.1 (Cost Allocation Plan for Cost Reimbursement Activities).

9.22.5.2 **Closeout Report**

9.22.5.2.1 This report shall adhere to the requirements outlined in Subparagraph 9.23.2 (Closeout Reporting Requirements).

9.22.5.3 **Other Reporting Documents**

9.22.5.3.1 From time-to-time, County or its designee(s) may request other documents relating to Subrecipient's performance, Work, and/or Services. County shall not be unreasonable in its request and Subrecipient shall adhere to County's request for such documents.

**9.23 FISCAL REPORTING REQUIREMENTS**

9.23.1 **Cost Allocation Plan for Cost Reimbursement Activities**

9.23.1.1 Subrecipient acknowledges that as a condition of receiving this Subaward, Subrecipient shall submit its organization-wide Cost Allocation Plan to County no later than sixty (60) days after the start date of the Subaward term. This Cost Allocation Plan shall be included in this Subaward as Exhibit Z (Cost Allocation Plan).

9.23.1.2 The Cost Allocation Plan shall adhere to the requirements outlined in the following: County directives (including but not limited to CSS directive CCD-15-03 (Cost Allocation and Indirect Cost Requirements for CSS Subawards)) which may be obtained at <http://css.lacounty.gov/programs/program-directives/>, Exhibit Q (Accounting, Administration and Reporting Requirements) and Title 45 Code of

Federal Regulations Part 75 et al. At a minimum, the Plan shall include the following information:

- 9.23.1.2.1 Description of Subrecipient's organization (i.e., non-profit, for-profit, public/government, etc.).
  - 9.23.1.2.2 Description of Subrecipient's general accounting policies, including its basis of accounting.
  - 9.23.1.2.3 List of all the funded programs.
  - 9.23.1.2.4 An organizational chart that identifies the various services and/or functions for each unit.
  - 9.23.1.2.5 A detailed listing of all shared and pooled direct and indirect costs that will be allocated.
  - 9.23.1.2.6 Identification of the Subaward year term for any information/documentation related to the Plan (i.e., July 1, 2017 - June 30, 2018).
  - 9.23.1.2.7 A thorough description of the methods used to allocate all shared or pooled direct or indirect costs and the auditable documentation for supporting each basis for allocation.
- 9.23.1.3 Every cost included in the Cost Allocation Plan shall be supported by formal, documented accounting records, and the basis for its distribution must be calculated by actual usage (e.g., time distribution, number of Clients served, square footage, etc.) - arbitrary percentages or estimates are not allowed.
- 9.23.1.4 In order to certify the accuracy of the Cost Allocation Plan, Subrecipient shall sign the Cost Allocation Plan and any revisions made thereto.
- 9.23.1.5 By April 1 of each Subaward year after the first Subaward year in a multi-year term, Subrecipient shall submit written confirmation that its Cost Allocation Plan methodology described in Subparagraph 9.23.1.2.7 will remain in effect throughout the following Subaward year. In the event that this Cost Allocation Plan methodology must be revised for the following Subaward year then Subrecipient shall submit the revised methodology to County's Contract Manager by April 1 of the current Subaward year. The Cost Allocation Plan methodology may only be revised once during any Subaward year.
- 9.23.1.6 In the event that the information provided in the

Cost Allocation Plan as it relates to Subparagraphs 9.23.1.2.1 - 9.23.1.2.6 must be revised at any time during the Subaward term then Subrecipient shall submit the revisions to County's Contract Manager within thirty (30) days of completing the revisions.

9.23.1.7 Upon receipt of the revisions made to Subrecipient's Cost Allocation Plan, County will review these revisions. Neither Subrecipient's submission of these revisions to its Cost Allocation Plan nor County's receipt of these revisions to Subrecipient's Cost Allocation Plan shall constitute County's acceptance or approval of the Cost Allocation Plan revisions. County reserves the right to either accept or reject any revision(s) to the Cost Allocation Plan that County deems is unacceptable. County will notify Subrecipient in writing whether the revisions are approved or rejected. Upon rejection of the revisions, Subrecipient shall take the required actions needed to correct its revisions. Subrecipient's failure to adhere to County's requirements shall subject Subrecipient to remedies available under this Subaward.

#### 9.23.2 **Closeout Reporting Requirements**

9.23.2.1 The closeout is a process that takes place upon the expiration or termination of the period in which Program Services are provided which includes the end of the Subaward term, the end of the Fiscal Year or any other period when the Subaward is terminated. The purpose of closeout is to ensure that final reports are received and evaluated, allowable costs are determined and amounts due to either County or to Subrecipient are determined and payment arrangements made.

9.23.2.2 Subrecipient shall complete and submit a mandatory Closeout Report in the form and manner designated by County. The Closeout Report shall include the reporting of expenses and accruals incurred through the last day of the Fiscal Year or Program Year. County will notify Subrecipient of the deadline for submission of the Closeout Report.

9.23.2.3 Subrecipient must ensure that all invoices are submitted and finalized prior to the submission of its Closeout Report. County will not pay invoices that are received after Subrecipient has submitted the Closeout Report. Once County has reviewed and accepted Subrecipient's Closeout Report, the data reflected on the Closeout Report will be reported to State as final. Any subsequent revisions will require the written signature and authorization of Subrecipient's Authorized Representative.

9.23.2.4 If this Subaward is terminated or cancelled prior to June 30th of any Fiscal Year, the Closeout Report shall be for that Subaward period which ends on the

termination or cancellation date. Subrecipient shall submit the Closeout Report after the termination/cancellation date in the manner and timeframe designated by County.

**9.23.3 Program Income Requirements**

- 9.23.3.1 Program Income includes, but is not limited to:
  - 9.23.3.1.1 Voluntary contributions received from Client or other party for Services received.
  - 9.23.3.1.2 Income from usage or rental fees of real or personal property acquired with Subaward Sums.
  - 9.23.3.1.3 Royalties received on patents and copyrights from Subaward-supported activities.
  - 9.23.3.1.4 Proceeds from the sale of items created under this Subaward.
- 9.23.3.2 Subrecipient shall adhere to the Program Income requirements outlined herein and in Title 45 Code of Federal Regulations Part 75 et al.
- 9.23.3.3 Subrecipient shall use Program Income to expand baseline Program Services.
- 9.23.3.4 Subrecipient shall report Program Income in Exhibit W (Budget) and shall expend Program Income under the same terms and conditions as the Subaward Sums from which it is generated.
- 9.23.3.5 Program Income shall be used to pay for current allowable Program costs in the same Fiscal Year or Program Year that the Program Income is earned. If Program Income is earned in excess of the amount reported in Exhibit W (Budget) then that excess amount may be deferred for use in the first quarter of the following Fiscal Year or Program Year. If such Program Income is deferred for use, Subrecipient shall use it by the last day of the first quarter of that Fiscal Year or Program Year.
- 9.23.3.6 Subrecipient shall not use Program Income to meet the match contribution requirement of this Subaward.
- 9.23.3.7 Subrecipient provide a disposition of all Program Income received and expended as part of the Closeout reporting process in the form, manner and timeline as designated by County.

**9.24 DATA UNIVERSAL NUMBERING SYSTEM (DUNS) AND SYSTEM FOR AWARD MANAGEMENT (SAM)**

- 9.24.1 Pursuant to the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282) and Title 2 Code

of Federal Regulations Part 25, Subrecipient shall be responsible for obtaining and maintaining a DUNS number from Dun and Bradstreet and should be registered in SAM. The DUNS number is a unique nine-digit identification number and is site-specific. Therefore, each distinct physical location of Subrecipient's organization (such as branches, divisions, and headquarters) will have its own, unique DUNS number. Subrecipient can obtain a DUNS number at no cost by telephone 1-866-705-5711 or on-line at <http://fedgov.dnb.com/webform>. Subrecipient shall comply with the requirements outlined in this Subparagraph 9.24.

9.24.2 Subrecipient shall provide a valid DUNS number to County in the time and manner as designated by County. Subrecipient must keep its DUNS number and maintain an active SAM registration with current information at all times on the website at: <https://www.sam.gov/portal/SAM#1>. If County cannot access Subrecipient's DUNS information related to this Subaward on the Federal Funding Accountability and Transparency Act Subaward Reporting System (SAM.gov) due to errors in Subrecipient's data entry for its DUNS number, County will notify Subrecipient and Subrecipient must immediately update the information as required.

9.24.3 Subrecipient's failure to adhere to applicable DUNS and SAM requirements may result in County imposing remedies as determined by County in its sole discretion.

**9.25 UNUSUAL OCCURRENCES AND CRIME**

9.25.1 Unusual occurrences such as natural disasters (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 Clients, Subrecipient personnel or visitors to Subrecipient's facility(ies) shall be reported by Subrecipient within twenty-four (24) hours to the local health officer by telephone and in writing, and to County by telephone and also in writing or by email.

9.25.2 Crime related occurrences, such as theft or vandalism, must be reported by Subrecipient within twenty-four (24) hours to the local police or sheriff by filing a police report and to County by telephone, and in writing or by email. Subrecipient shall also prepare and retain an incident report on file, and shall include a copy of the filed police report.

9.25.3 Subrecipient shall maintain all incident reports in a manner consistent with Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement). Subrecipient shall furnish such other pertinent information related to such occurrence as the local authorities and/or County may require.





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

**COUNTY OF LOS ANGELES**

By \_\_\_\_\_ Date \_\_\_\_\_  
Cynthia D. Banks, Director  
County of Los Angeles  
Community and Senior Services

**SUBRECIPIENT**

\_\_\_\_\_  
Subrecipient's Legal Name

\_\_\_\_\_  
Subaward Number

By \_\_\_\_\_ Date \_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

Approved as to Form:

**OFFICE OF COUNTY COUNSEL**  
Mary C. Wickham, County Counsel

By \_\_\_\_\_  
Lawrence M. Green  
Deputy County Counsel

By \_\_\_\_\_ Date \_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

# **EXHIBIT A**

Exhibit A: Statement of Work (Refer to RFP, Appendix A-5, Senior  
Community Service Employment Program Statement of Work)

**EXHIBIT D**  
**(SUBRECIPIENT'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION)**

**GENERAL CERTIFICATION**

In accordance with Los Angeles County Code Section 4.32.010, Subrecipient 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.

**SUBRECIPIENT'S SPECIFIC CERTIFICATIONS**

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

\_\_\_\_\_  
Subrecipient's Name

\_\_\_\_\_  
Subaward Number

\_\_\_\_\_  
Internal Revenue Service Employer Identification Number

\_\_\_\_\_  
Name of Authorized Representative (Print)

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Authorized Representative's Signature

\_\_\_\_\_  
Date

## EXHIBIT E (COUNTY'S ADMINISTRATION)

FISCAL YEAR: 2016/17

### COUNTY'S DEPARTMENT HEAD

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

### COUNTY'S CONTRACT MANAGER

Name: Ms. Carol Domingo  
Title: Program Manager  
Address: 3175 West Sixth Street  
Los Angeles, Ca 90020  
Telephone: (213) 639-6339  
E-Mail Address: [cdomingo@css.lacounty.gov](mailto:cdomingo@css.lacounty.gov)

### COUNTY'S PROGRAM MANAGER

Name: Ms. Irene Pelayo  
Title: Human Services Administrator II  
Address: 3333 Wilshire Boulevard, Room 400  
Los Angeles, Ca 90010  
Telephone: (213) 351-5246  
E-Mail Address: [IPelayo@css.lacounty.gov](mailto:IPelayo@css.lacounty.gov)

### COUNTY'S COMPLIANCE MANAGER

Name: Mr. Paul Goldman  
Title: Assistant Director  
Address: 3175 West Sixth Street  
Los Angeles, Ca 90020  
Telephone: (213) 738-2783  
E-Mail Address: [pgoldman@css.lacounty.gov](mailto:pgoldman@css.lacounty.gov)

### COUNTY'S EMERGENCY COORDINATOR

Name: Ms. Ellie Wolfe  
Title: Program Manager  
Address: 3175 West Sixth Street  
Los Angeles, Ca 90020  
Telephone: (213) 738-2681  
E-Mail Address: [ewolfe@css.lacounty.gov](mailto:ewolfe@css.lacounty.gov)

**EXHIBIT F  
(SUBRECIPIENT'S ADMINISTRATION)**

**SUBRECIPIENT'S NAME:** \_\_\_\_\_

**SUBAWARD NUMBER:** \_\_\_\_\_

**SUBRECIPIENT'S PROJECT MANAGER:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**SUBRECIPIENT'S AUTHORIZED REPRESENTATIVE(S):**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**NOTICES TO SUBRECIPIENT SHALL BE SENT TO:**

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

**INVOICES – AUTHORIZED SIGNER:**

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

***Signature:*** \_\_\_\_\_

**BUDGET ANALYST:**

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

**SPARQ DATA ENTRY PERSONNEL:**

**Primary Contact**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**Secondary Contact**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**EXHIBIT G1**  
**(SUBRECIPIENT ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT)**

GENERAL INFORMATION

Subrecipient has entered into this Subaward with County of Los Angeles to provide certain Services to County. County requires Subrecipient to sign this Subrecipient Acknowledgement and Confidentiality Agreement.

SUBRECIPIENT ACKNOWLEDGEMENT

Subrecipient understands and agrees that Subrecipient employees, consultants, outsourced vendors and independent contractors ("Subrecipient's Staff") that will provide Services in this Subaward are Subrecipient's sole responsibility. Subrecipient understands and agrees that Subrecipient's Staff must rely exclusively upon Subrecipient for payment of salary and any and all other benefits payable by virtue of Subrecipient's Staff's performance of Work under this Subaward.

Subrecipient understands and agrees that Subrecipient's Staff are not employees of County of Los Angeles for any purpose whatsoever and that Subrecipient's Staff do not have and will not acquire any rights or benefits of any kind from County of Los Angeles by virtue of Subrecipient's Staff's performance of Work under this Subaward. Subrecipient understands and agrees that Subrecipient's Staff will not acquire any rights or benefits from County of Los Angeles pursuant to any agreement between any person or entity and County of Los Angeles.

CONFIDENTIALITY AGREEMENT

Subrecipient and Subrecipient's Staff may be involved with Work pertaining to Services provided by County of Los Angeles and, if so, Subrecipient and Subrecipient's Staff may have access to confidential data and information pertaining to persons and/or entities receiving Services from County. In addition, Subrecipient and Subrecipient's Staff may also have access to proprietary information supplied by other vendors doing business with 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. Subrecipient and Subrecipient's Staff understand that if they are involved in County Work, County must ensure that Subrecipient and Subrecipient's Staff will protect the confidentiality of such data and information. Consequently, Subrecipient must sign this Confidentiality Agreement as a condition of the Work to be provided by Subrecipient's Staff for County.

Subrecipient and Subrecipient's Staff hereby agree that they will not divulge to any unauthorized person any data or identifying information obtained while performing Work pursuant to this Subaward without prior written authorization from County. Subrecipient and Subrecipient's Staff agree to forward all requests for the release of any data or identifying information received to County's Program Manager. Subrecipient may be authorized, in writing, by Client to disclose identifying information specific to the authorizing



Client. However, Subrecipient shall not request or encourage Client to give a blanket authorization or sign a blanket release nor shall Subrecipient accept such blanket authorization from Client.

Subrecipient and Subrecipient's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving Services from County, design concepts, algorithms, programs, formats, documentation, Subrecipient proprietary information and all other original materials produced, created, or provided to Subrecipient and Subrecipient's Staff under this Subaward. Subrecipient and Subrecipient's Staff agree to protect these confidential materials against disclosure to other than Subrecipient or County employees who have a need to know the information. Subrecipient and Subrecipient's Staff agree that if proprietary information supplied by other County vendors is provided to Subrecipient's Staff during this employment, Subrecipient and Subrecipient's Staff shall keep such information confidential.

Subrecipient and Subrecipient's Staff agree to report any and all violations of this Confidentiality Agreement by Subrecipient and Subrecipient's Staff and/or by any other person of whom Subrecipient and Subrecipient's Staff become aware. Subrecipient shall report such violations to County's Program Manager.

Subrecipient and Subrecipient's Staff acknowledge that violation of this Confidentiality Agreement may subject Subrecipient and Subrecipient's Staff to civil and/or criminal action and that County of Los Angeles may seek all possible legal redress.

\_\_\_\_\_  
Subrecipient's Name

\_\_\_\_\_  
Subaward Number

\_\_\_\_\_  
Name of Authorized Representative (Print)

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Authorized Representative's Signature

\_\_\_\_\_  
Date

## **EXHIBIT H (JURY SERVICE ORDINANCE)**

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

### **2.203.010 Findings.**

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

### **2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
  - 1. A contract where the Board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  - 3. A purchase made through a state or federal contract; or
  - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
  - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
  - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or

7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
  2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the County of Los Angeles or any public entities for which the Board of Supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

### **2.203.030 Applicability.**

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

### **2.203.040 Contractor Jury Service Policy.**

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

### **2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

### **2.203.060 Enforcement and Remedies.**

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

1. Recommend to the Board of Supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

### **2.203.070. Exceptions.**

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
  - 1. Has ten or fewer employees during the contract period; and,
  - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
  - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

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

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

### **2.203.090. Severability.**

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

EXHIBIT I  
(SAFELY SURRENDERED BABY LAW)

# *Safely* Surrendered



No shame. No blame. No names.

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

[www.babysafela.org](http://www.babysafela.org)



# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

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

*Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.*

## How does it work?

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

## What if a parent wants the baby back?

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

## Can only a parent bring in the baby?

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

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

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

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

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

## What happens to the baby?

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

## What happens to the parent or surrendering adult?

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

## Why is California doing this?

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

## A baby's story

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

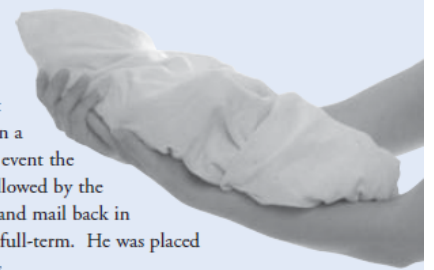


EXHIBIT I  
(SAFELY SURRENDERED BABY LAW)

# *Ley de* Entrega de Bebés *Sin Peligro*



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

Sin pena. Sin culpa. Sin nombres.

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

[www.babysafela.org](http://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, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

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

## ¿Cómo funciona?

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

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

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

## ¿Sólo los padres podrán llevar al recién nacido?

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

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

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

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

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

## ¿Qué pasará con el bebé?

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

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

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

## ¿Por qué se está haciendo esto en California? ?

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

## Historia de un bebé

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





**EXHIBIT O  
(CHARITABLE CONTRIBUTIONS CERTIFICATION)**

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, Contractor 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 below and is in compliance with its registration and reporting requirements under California law. **Attached is a copy of Contractor's most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, Sections 300-301 and Government Code Sections 12585-12586.**

\_\_\_\_\_  
Contractor's Name

\_\_\_\_\_  
Contract Number

\_\_\_\_\_  
Internal Revenue Service Employer Identification Number

\_\_\_\_\_  
California Registry of Charitable Trusts "CT" number (if applicable)

\_\_\_\_\_  
Name of Authorized Representative (Print)

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Authorized Representative's Signature

\_\_\_\_\_  
Date

# DEFINITIONS

## A

**Accrued Expenditures** (See *Expenditures*)

**Acquisition Cost of Equipment** (*Uniform Guidance, 2 CFR 200.2*) – The term “acquisition cost of equipment” means the cost of the asset including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Acquisition costs for software includes those development costs capitalized in accordance with generally accepted accounting principles (GAAP). Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-Federal entity’s regular accounting practices.

**Administrative Activities** - The term “administrative activities” means activities under title I of WIOA that are not related to the direct provision of workforce investment services (including services to participants and employers)

**Administrative Costs** (*WIOA Regulations 20 CFR 683.215*) – The term “administrative costs” means the costs of administration are expenditures incurred by State and Local Workforce Development Boards, Regions, direct grant recipients, including State grant recipients under subtitle B of title I of WIOA, and recipients of awards under subtitle D of title I, as well as local grant recipients, local grant sub-recipients, local fiscal agents and one-stop operators that are associated with those specific functions identified in paragraph (b) of this section and which are not related to the direct provision of workforce investment services, including services to participants and employers. These costs can be both personnel and non-personnel and both direct and indirect.

(b) The costs of administration are the costs associated with performing the following functions:

(1) Performing the following overall general administrative functions and coordination of those functions under title I of WIOA:

- (i) Accounting, budgeting, financial and cash management functions;
- (ii) Procurement and purchasing functions;
- (iii) Property management functions;
- (iv) Personnel management functions;
- (v) Payroll functions;

- (vi) Coordinating the resolution of findings arising from audits, reviews, investigations and incident reports;
  - (vii) Audit functions;
  - (viii) General legal services functions;
  - (ix) Developing systems and procedures, including information systems, required for these administrative functions; and
  - (x) Fiscal agent responsibilities;
- (2) Performing oversight and monitoring responsibilities related to WIOA administrative functions;
- (3) Costs of goods and services required for administrative functions of the program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space;
- (4) Travel costs incurred for official business in carrying out administrative activities or the overall management of the WIOA system; and
- (5) Costs of information systems related to administrative functions (for example, personnel, procurement, purchasing, property management, accounting and payroll systems) including the purchase, systems development and operating costs of such systems.
- (c) (1) Awards to sub-recipients or contractors that are solely for the performance of administrative functions are classified as administrative costs.
- (2) Personnel and related non-personnel costs of staff that perform both administrative functions specified in paragraph (b) of this section and programmatic services or activities must be allocated as administrative or program costs to the benefitting cost objectives/categories based on documented distributions of actual time worked or other equitable cost allocation methods.
- (3) Specific costs charged to an overhead or indirect cost pool that can be identified directly as a program cost are to be charged as a program cost. Documentation of such charges must be maintained.
- (4) Except as provided at paragraph (c)(1) of this section, all costs incurred for functions and activities of sub-recipients and contractors are program costs.
- (5) Continuous improvement activities are charged to administration or program category based on the purpose or nature of the activity to be improved. Documentation of such charges must be maintained.

(6) Costs of the following information systems including the purchase, systems development, and operational costs (e.g., data entry) are charged to the program category:

(i) Tracking or monitoring of participant and performance information;

(ii) Employment statistics information, including job listing information, job skills information, and demand occupation information;

(iii) Performance and program cost information on eligible providers of training services, youth activities, and appropriate education activities;

(iv) Local area performance information; and

(v) Information relating to supportive services and unemployment insurance claims for program participants.

(d) Where possible, entities identified in item (a) must make efforts to streamline the services in paragraphs (b)(1) through (5) of this section to reduce administrative costs by minimizing duplication and effectively using information technology to improve services.

**Adult** - The term “adult” means an individual who is age 18 or older.

**Adult Education** – The term “adult education” means academic instruction and education services below the post-secondary level that increases an individual’s ability to: read, write, and speak in English and perform mathematics or other activities necessary for the attainment of a secondary school diploma or its recognized equivalent; transition to post-secondary education and training; and obtain employment. (WIOA Section 203).

**Adult Education and Literacy Activities** - The term “adult education and literacy activities” means programs, activities, and services that include adult education, literacy, workplace adult education and literacy activities, family literacy activities, English language acquisition activities, integrated English literacy and civics education, workforce preparation activities, or integrated education and training.

**Advance Payment** (*Uniform Guidance, 2 CFR 200.3*) – The term “advance payment” means a payment that a Federal awarding agency or pass-through entity makes by any appropriate payment mechanism, including a predetermined payment schedule, before the non-Federal entity disburses the funds for program purposes.

**Affiliate Site** – The term “affiliate site” means a site that is associated with, or part of, a Comprehensive AJCC, operating as an extension of a Comprehensive AJCC’s reach in the community. Affiliates are to be access points for ADW and Youth@Work participants to enhance availability of LA County’s workforce programs in the community. An Affiliate does not have separate performance goals or funding issued to Contractor by County;

instead, performance goals and funding are included within the allocation to the affiliated Comprehensive AJCC. An Affiliate must make available at least one or more WIOA Title I Service, but does not need to provide access to every required one-stop partner program. Affiliates are not responsible for separate Memoranda Of Understanding (MOUs) or Resource Sharing Agreements (RSAs). Affiliates need to be included in the MOUs and RSAs of its Comprehensive AJCC or AJCC. Affiliate sites are targeted to be in place year two (2) of the Contract period, once all RSAs are completed and executed.

**Allocation** (*Uniform Guidance, 2 CFR 200.4*) – The term “allocation” means the process of assigning a cost, or a group of costs, to one or more cost objective(s), in reasonable proportion to the benefit provided or other equitable relationship. The process may entail assigning a cost(s) directly to a final cost objective or through one or more intermediate cost objectives.

**Alternative school** – The term “alternative school” means a type of school designed to achieve grade-level (K-12) standards and meet student needs (EC Section 58500). *Examples of alternative schools include, but are not limited to, continuation, magnet, and charter schools. If the youth participant is attending an alternative school at the time of enrollment, the participant is considered to be in-school.*

**America’s Job Center of California (AJCC)** (*State Directive WSD13-15*) – The term “America’s Job Center of California” means a single network that assists job seekers to explore career opportunities, find education and training, search for employment, and provide business services to employers. Under this RFP, this can be a Comprehensive AJCC or AJCC, as defined below:

- a) **Comprehensive AJCC**: Comprehensive AJCC is a physical location where job seekers and employers have access to the WIOA Title I Adult, Dislocated Worker and Youth programs and are provided the Services and activities of these programs, as described in this WIOA Title I Adult and Dislocated Worker Statement of Work and in Appendix B, Youth@Work Statement of Work. A Comprehensive AJCC must be co-located with EDD Wagner Peyser Act Employment Services. In addition, the Comprehensive AJCC shall also provide direct linkage to the other programs, Services and activities of all the required Comprehensive AJCC partners and any additional Comprehensive AJCC partner programs. A “direct linkage” cannot exclusively be providing a phone number or computer Web site or providing information, pamphlets, or materials. Each Comprehensive AJCC will operate a minimum of one Affiliate, and/or a Jail Based Affiliate. The Comprehensive AJCC and associated Affiliate(s) must be located close to or inside customer feeder systems such as, but not limited to community colleges or adult schools. Each Comprehensive AJCC will be responsible for providing access and delivering Services to the residents of and businesses in all the cities and unincorporated areas in the designated workforce sub-region. Comprehensive AJCCs must have a detailed documented outreach and service plan using service

access points to ensure Services are all encompassing targeted service area. Comprehensive AJCCs are to deliver Services through the Integrated Services Delivery Model (ISD).

- b) **AJCC:** An AJCC is subject to all the requirements of a Comprehensive AJCC but on a smaller scale. The funding levels for AJCCs are less than that of a Comprehensive AJCC and consequently, performance goals are also lower. AJCCs will be responsible for providing access and delivering Services to the residents of and businesses in all the cities and unincorporated areas in the designated workforce sub-region they will operate in. AJCCs shall deliver Services through the Integrated Services Delivery Model, if the AJCC has co-located partner staff.

**Area Career and Technical Education School** - The term “area career and technical education school” means:

- a) A specialized public secondary school used exclusively or principally for the provision of career and technical education to individuals who are available for study in preparation for entering the labor market;
- b) The department of a public secondary school exclusively or principally used for providing career and technical education in not fewer than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;
- c) A public or nonprofit technical institution or career and technical education school used exclusively or principally for the provision of career and technical education to individuals who have completed or left secondary school and who are available for study in preparation for entering the labor market, if the institution or school admits, as regular students, individuals who have completed secondary school and individuals who have left secondary school; or
- d) The department or division of an institution of higher education, that operates under the policies of the eligible agency and that provides career and technical education in not fewer than 5 different occupational fields leading to immediate employment but not necessarily leading to a baccalaureate degree, if the department or division admits, as regular students, both individuals who have completed secondary school and individuals who have left secondary school.

**At-Risk Population** – The term “at-risk population” means a population whose members may have additional needs before, during, and after an incident in functional areas, including but not limited to: maintaining independence, communication, transportation, supervision, and medical care. Individuals in need of additional response assistance may include those who have disabilities; who live in institutionalized settings and have been recently released from such settings (e.g., probation, ex-offenders, etc.); who are from diverse cultures; who have limited English proficiency or are non-English speakers.

**Attending School** – The term “attending school” means an individual is considered to be attending school if the individual is enrolled in secondary or post-secondary school.

***These include, but are not limited to: traditional K-12 public and private, and alternative (e.g., continuation, magnet, and charter) schools.***

**Audit Finding** (*Uniform Guidance, 2 CFR 200.5*) – The term “audit finding” means deficiencies which the auditor is required by Sec. 200.516 Audit findings, paragraph (a) to report in the schedule of findings and questioned costs.

**Auditee** (*Uniform Guidance, 2 CFR 200.6*) – The term “auditee” means any non-Federal entity that expends Federal awards which must be audited under Subpart F--Audit Requirements of this Part.

**Auditor** (*Uniform Guidance, 2 CFR 200.7*) – The term “auditor” means an auditor who is a public accountant or a Federal, state or local government audit organization, which meets the general standards specified in generally accepted government auditing standards (GAGAS). The term auditor does not include internal auditors of nonprofit organizations.

## B

**Barrier to Employment** - The term “barrier to employment” means the obstacle faced by a member of 1 or more of the following populations:

- a) Displaced homemakers;
- b) Low-income individuals;
- c) Indians, Alaska Natives, and Native Hawaiians;
- d) Individuals with disabilities, including youth who are individuals with disabilities;
- e) Older individuals;
- f) Ex-offenders;
- g) Homeless individuals;
- h) Youth who are in or have aged out of the foster care system;
- i) Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers;
- j) Eligible migrant and seasonal farmworkers;
- k) Individuals within 2 years of exhausting lifetime eligibility Block Grants to States for Temporary Assistance for Needy Families in the Social Security Act (42 U.S.C. 601 et seq.);
- l) Single parents (including single pregnant women);
- m) Long-term unemployed individuals;

- n) Such other groups as the Governor involved determines to have barriers to employment;
- o) A low-income youth aged 17 to 24 who requires additional assistance to enter or complete an educational program or to secure or hold employment. Youth who require additional assistance may include, but are not limited to:
  - i. Referred to or are being treated by an agency for substance abuse related problem;
  - ii. Experienced recent traumatic events, are victims of abuse, or reside in an abusive environment as documented by a school official or other qualified professional;
  - iii. Have serious emotional, medical or psychological problems as documented by qualified professional;
  - iv. Is 20 to 24 years old and have never held a job;
  - v. Involved in gang activities;
  - vi. Have repeated at least one secondary grade level, or are one year over age for grade, as documented by a qualified school official;
  - vii. Alienated by sexual orientation;
  - viii. Physically or mentally challenged;
  - ix. Have a core grade point average (GPA) of less than 1.5, as documented by a qualified school official;
  - x. Are emancipated youth;
  - xi. Aged out or foster care;
  - xii. Are court or agency referred, mandating school attendance;
  - xiii. For each year of secondary education, are at least two semester credits behind the rate required to graduate from high school as documented by a qualified school official;
  - xiv. Are previous dropouts, or have been suspended five or more times or have been expelled, as documented by a qualified school official; or
  - xv. Are deemed at risk of dropping out of school by a qualified school official.



**Basic Career Services** – The term “basic career services” mean services which must be made available and, at minimum, must include the following, as is consistent with allowable program activities. Basic career services include:

- a) WIOA eligibility determination;
- b) Outreach/intake (including worker profiling). This also includes providing individuals with the opportunity to initiate an application for TANF assistance and non-assistance benefits and services, which could be through the provision of paper application forms or links to the application website;
- c) Orientation to information and other services available through the One-Stop system;
- d) Initial assessment of skill levels, including literacy, numeracy, and English Language proficiency, as well as aptitudes, abilities (including skill gaps), and supportive service needs;
- e) Labor exchange services including:
  - i. Job search and placement assistance, and when needed by an individual, career counselling including provision of information on in-demand industry sectors and occupations and provision of information on nontraditional employment;
  - ii. Appropriate recruitment and other business services on behalf of employers, including information and referrals to specialized business services other than those traditionally offered through the One-Stop delivery system;
- f) Provision of referrals to and coordination of activities with other programs and services, including programs and services within the One-Stop delivery system and, when appropriate, other workforce development programs;
- g) Provision of workforce and labor market employment statistics information, including the provision of accurate information relating to local, regional, and national labor market areas, including:
  - i. Job vacancy listings in labor market areas;
  - ii. Information on job skills necessary to obtain the vacant jobs listed;
  - iii. Information relating to local occupations in demand and the earnings, skill requirements, and opportunities for advancement for those jobs;
- h) Provision of performance information and program cost information on eligible providers of training services by program and type of providers;
- i) Provision of information, in usable and understandable formats and languages, about how the local area is performing on local performance accountability measures, as well as any additional performance information relating to the area’s One-Stop delivery system;
- j) Provision of information, in usable and understandable formats and languages, relating to the availability of supportive services or assistance, and appropriate referrals to those services and assistance, including:
  - i. Child care;
  - ii. Child support;
  - iii. Medical or child health assistance available through the State’s Medicaid program and Children’s Health Insurance Program, benefits under SNAP, assistance through the earned income tax credit, and assistance under a

State program for Temporary Assistance for Needy Families and other supportive services and transportation provided through that program;

- k) Provision of information and assistance regarding filing claims for unemployment compensation, by which the One-Stop must provide meaningful assistance to individuals seeking assistance in filing a claim for unemployment compensation. “Meaningful assistance” means:
  - i. Providing assistance on-site using staff who are well-trained in unemployment compensation claims filing and the rights and responsibilities of claimants, or
  - ii. Providing assistance by phone or via other technology, as long as the assistance is provided by trained and available staff and within reasonable time;
- l) Assistance in establishing eligibility for programs of financial aid assistance for training and education programs (non-WIOA).

**Basic Skills** – The term “basic skills” means basic education skills including reading comprehension, math computation, writing, speaking, listening, problem solving, reasoning and the capacity to use these skills in the workplace.

**Basic Skills Deficient** - The term “basic skills deficient” means: An individual that is unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on the job, in the individual’s family, or in society (WIOA Section 3[5]). Criteria used to determine whether an individual is basic skills deficient includes the following:

- a) Lacks a high school diploma or high school equivalency and is not enrolled in post-secondary education;
- b) Enrolled in a Title II Adult Education/Literacy program;
- c) English, reading, writing, or computing skills at an 8.9 or below grade level;
- d) Determined to be Limited English Skills proficient through staff-documented observations; or
- e) Other objective criteria determined to be appropriate by the Local Area and documented in its required policy.

**Basic Skills Software** – The term “basic skills software” means software accessible from Contractor’s computer lab used to improve reading, writing, mathematic computation and language proficiency.

**Basic Skills Training** – The term “basic skills training” means training that may include literacy, reading, communication, and computational skills, life skills, library and study skills, and family education skills.

**Bidder’s List** (*Uniform Guidance, 2 CFR 200.319*) – The term “bidder’s list” means the prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the entity must not preclude potential bidders from qualifying during the solicitation period.

**Bilateral Modification** – The term “bilateral modification” means a change to a contract that requires the agreement and signature of both parties involved.

**Breach of Contract** – The term “breach of contract” means the nonperformance of any contractual duty of immediate performance

**Budget** (*Uniform Guidance, 2 CFR 200.8*) – the term “budget” means the financial plan for the project or program that the Federal awarding agency or pass-through entity approves during the Federal award process or in subsequent amendments to the Federal award. It may include the Federal and non-Federal share or only the Federal share, as determined by the Federal awarding agency or pass-through entity.

**Business Cycle** – The term “business cycle” means a business process identified as a sequence of four phases:

- Contraction – A slowdown in the pace of economic activity
- Trough – The lower turning point of a business cycle, where a contraction turns into an expansion
- Expansion – A speedup in the pace of economic activity
- Peak – The upper turning of a business cycle.

## C

**Capacity Building** – The term “capacity building” means an on-going education and professionalization of workforce staff to enhance program delivery and resource networking for improved effectiveness and sustainability.

**Capital Expenditures** (*Uniform Guidance, 2 CFR 200.13*) – the term “capital expenditures” mean expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.

**Capital Assets** (*Uniform Guidance, 2 CFR 200.12*) – The term “capital assets” means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

- (a) Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
- (b) Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

**Career and Technical Education** - The term “career and technical education” means organized educational activities that:

- a) Offer a sequence of courses that:
  - i. Provides individuals with coherent and rigorous content aligned with challenging academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions;
  - ii. Provides technical skill proficiency, an industry-recognized credential, a certificate, or an associate degree; and
  - iii. May include prerequisite courses (other than a remedial course) that meet the requirements of this subparagraph; and
- b) Include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, technical skills, and occupation-specific skills, and knowledge of all aspects of an industry, including entrepreneurship, of an individual.

**Career Counseling** – The term “career counseling” means staff provided information, materials, suggestions, and/or advice to a participant to help the individual make occupational or career decisions.

**Career Exploration Activities** – The term “career exploration activities” means activities such as site visits, guest speakers, job shadowing; includes learning about education and/or training entry requirements and earning potential and/or benefits.

**Career Pathway** - The term “career pathway” means a combination of rigorous and high-quality education, training, and other services that:

- a) Aligns with the skill needs of industries in the economy of the state or regional economy involved;
- b) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options;
- c) Includes counseling to support an individual in achieving the individual’s education and career goals;
- d) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
- e) Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
- f) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential; and
- g) Helps an individual enter or advance within a specific occupation or occupational cluster.

**Career Planning** - The term “career planning” means the provision of a Participant-centered approach in the delivery of services, designed:

- a) To prepare and coordinate comprehensive employment plans, such as service strategies, for participants to ensure access to necessary workforce investment activities and supportive services, using, where feasible, computer-based technologies; and
- b) To provide job, education, and career counseling, as appropriate during program participation and after job placement.

**Case Management** – The term “case management” means the provision of a Participant-centered approach in the delivery of services, designed:

- a) To prepare and coordinate comprehensive employment plans, such as service strategies, for participants to ensure access to necessary workforce investment activities and supportive services, using, where feasible, computer-based technologies; and
- b) To provide job and career counseling during program participation and after job placement.

**Catalog of Federal Domestic Assistance (CFDA) number** (*Uniform Guidance, 2 CFR 200.10*) – The term “catalog of federal domestic assistance number” means the number assigned to a Federal program in the CFDA.

**CFDA Program Title** (*Uniform Guidance, 2 CFR 200.11*) – The term “CFDA program title” means the title of the program under which the Federal award was funded in the CFDA.

**Chief Elected Official** (*WIOA, Section 3(9)*) – The term “chief elected official” means—

- (A) The chief elected executive officer of a unit of general local government in a local area; and
- (B) In a case in which a local area includes more than 1 unit of general local government, the individuals designated under the agreement described in section 107(c)(1)(B).

**Claim** (*Uniform Guidance, 2 CFR 200.14*) – The term “claim” means, depending on the context, either:

- (A) A written demand or written assertion by one of the parties to a Federal award seeking as a matter of right:
  - (1) The payment of money in a sum certain;
  - (2) The adjustment or interpretation of the terms and conditions of the Federal award;
 or

(3) Other relief arising under or relating to a Federal award.

(A) A request for payment that is not in dispute when submitted.

**Classroom Training Hours** – The term “classroom training hours” means the number of hours spent in classroom training by SCSEP participants.

**Closeout** (*Uniform Guidance, 2 CFR 200.16*) – The term “closeout” means the process by which the Federal awarding agency or pass-through entity determines that all applicable administrative actions and all required work of the Federal award have been completed and takes actions as described in Sec. 200.343 Closeout.

**Co-enrollment** - The term “co-enrollment” means:

- a) An enrollment in two or more workforce programs (e.g. WIOA, Wagner Peyser, Trade Adjustment Assistance, or other locally funded workforce program);
- b) An enrollment in two or more WIOA programs (e.g. Adult, DW, Youth or RR) and/or locally funded workforce program within the same Comprehensive AJCC or AJCC;
- c) An enrollment in two or more WIOA programs (e.g. Adult, DW, Youth or RR) and/or locally funded workforce program within two different Comprehensive AJCCs or AJCCs within County; or
- d) An enrollment under scenario #1 or #2 between a County Comprehensive AJCC or AJCC and another Workforce Development Area (such as City of Los Angeles, Foothill, South Bay, Verdugo, SELACO, Pacific Gateway or other Workforce Development Area in California).

**Coaching** - The term “coaching” means a learning and development process that enables a job seeker, with the support of staff, in making real, lasting positive change in thought process and desire thereby achieving full potential to find, secure and keep a good job. Coaching is generally performed in a group format within the Integrated Services Delivery Model.

**Cognizant Agency For Audit** (*Uniform Guidance, 2 CFR 200.14*) – The term “cognizant agency for audit” means the Federal agency designated to carry out the responsibilities described in Sec. 200.513 Responsibilities, paragraph (a). The cognizant agency for audit is not necessarily the same as the cognizant agency for indirect costs. A list of cognizant agencies for audit may be found at the FAC Web site.

**Cognizant Agency For Indirect Costs** (*Uniform Guidance, 2 CFR 200.19*) – The term “cognizant agency for indirect costs” means the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under this Part on behalf of all Federal agencies. The cognizant agency for indirect cost is not necessarily the same as the cognizant agency for audit. For assignments of cognizant agencies see the following:

- (a) For IHEs: Appendix III to Part 200--Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs), paragraph C.10.
- (b) For nonprofit organizations: Appendix IV to Part 200--Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations, paragraph C.1.
- (c) For state and local governments: Appendix V to Part 200--State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans, paragraph F.1.

**Community-Based Organization** (*WIOA, Section 3(10)*) – The term “community-based organization” means a private nonprofit organization (which may include a faith-based organization), that is representative of a community or a significant segment of a community and that has demonstrated expertise and effectiveness in the field of workforce development.

**Community-Service Employment Training (Work Experience)** – For SCSEP program, the term “community-service employment training (work experience)” means part-time, temporary employment paid with contract funds in projects at host agencies through which eligible individuals are engaged in community service and receive work experience and job skills that can lead to unsubsidized employment. Includes, but is not limited to, social, health, welfare, and educational services; legal assistance, and other counseling services, including tax counseling and financial assistance counseling; and intergenerational projects. It excludes work which benefits private, profit-making organizations.

**Community Service Training Hours** – The term “community service training hours” means the number of hours of community service provided to SCSEP participants.

**Competitive Proposals** (*Uniform Guidance, 2 CFR 200.320(d)*) – The term “competitive proposals” means the procurement method whereby procurement is conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- (1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- (2) Proposals must be solicited from an adequate number of qualified sources;
- (3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- (4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

- (5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

**Complaint** (*State Directive WSD15-24*) – The term “complaint” means an allegation of a violation of the nondiscrimination and equal opportunity provisions.

(*State Directive WSD12-18*)- means criminal complaint and noncriminal complaints accepted by the DOL as incidents, such as gross waste of funds, mismanagement and dangers to the public health and safety.

**Compliance Supplement** (*Uniform Guidance, 2 CFR 200.21*) – The term “compliance supplement” means Appendix XI to Part 200--Compliance Supplement (previously known as the Circular A-133 Compliance Supplement).

**Computer Literacy** - The term “computer literacy” means the knowledge and ability of the job seeker to use computer programs and related technology efficiently, with a range of skills covering levels from elementary use to programming and advanced problem-solving.

**Contract (“Subaward”)**: The written and legally binding agreement that is executed between County and Subrecipient. It sets forth the terms and conditions for the issuance and performance of the Statement of Work.

**Contractor (“Subrecipient”)**: The sole proprietor, partnership, corporation, non-profit organization or public/government entity that has entered into this Subaward with County to perform and execute the Work and Services covered by Exhibit A (Statement of Work).

**Cooperative Agreement** (*Uniform Guidance, 2 CFR 200.24*) – The term “cooperative agreement” means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302-6305:

(a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;

(b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.

(c) The term does not include:



(1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or

(2) An agreement that provides only:

(i) Direct United States Government cash assistance to an individual;

(ii) A subsidy;

(iii) A loan;

(iv) A loan guarantee; or

(v) Insurance.

**Cooperative Audit Resolution** (*Uniform Guidance, 2 CFR 200.25*) – The term “cooperative audit resolution” means the use of audit follow-up techniques which promote prompt corrective action by improving communication, fostering collaboration, promoting trust, and developing an understanding between the Federal agency and the non-Federal entity. This approach is based upon:

(a) A strong commitment by Federal agency and non-Federal entity leadership to program integrity;

(b) Federal agencies strengthening partnerships and working cooperatively with non-Federal entities and their auditors; and non-Federal entities and their auditors working cooperatively with Federal agencies;

(c) A focus on current conditions and corrective action going forward;

(d) Federal agencies offering appropriate relief for past noncompliance when audits show prompt corrective action has occurred; and

(e) Federal agency leadership sending a clear message that continued failure to correct conditions identified by audits which are likely to cause improper payments, fraud, waste, or abuse is unacceptable and will result in sanctions.

**Corrective Action** (*Uniform Guidance, 2 CFR 200.26*) – The term “corrective action” means action taken by the auditee that:

(a) Corrects identified deficiencies;

(b) Produces recommended improvements; or

(c) Demonstrates that audit findings are either invalid or do not warrant auditee action.

**Cost Allocation Plan (CAP)** (*Uniform Guidance, 2 CFR 200.27*) – The term “cost allocation plan” means central service cost allocation plan or public assistance cost allocation plan.

**Cost Objective** (*Uniform Guidance, 2 CFR 200.28*) – The term “cost objective” means a program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc. A cost objective may be a major function of the non-Federal entity, a particular service or project, a Federal award, or an indirect (Facilities & Administrative (F&A)) cost activity, as described in Subpart E-Cost Principles of this Part. See also Sec. Sec. 200.44 Final cost objective and 200.60 Intermediate cost objective.

**Cost Sharing Or Matching** (*Uniform Guidance, 2 CFR 200.29*) – The term “cost sharing or matching” means the portion of project costs not paid by Federal funds (unless otherwise authorized by Federal statute). See also Sec. 200.306 Cost sharing or matching.

**Costs of Infrastructure** (*WIOA, Section 121*) – The term “costs of Infrastructure” with respect to a one-stop center, means the non-personnel costs that are necessary for the general operation of the one-stop center, including the rental costs of the facilities, the costs of utilities and maintenance, equipment (including assessment-related products and assistive technology for individuals with disabilities), and technology to facilitate access to the one-stop center, including the center’s planning and outreach activities.

**Costs Recommended for Disallowance** – The term “costs recommended for disallowance” means costs identified by auditors that are supported by accounting records but are a violation of law, regulation or contract, or are determined unreasonable by the auditor.

**Cross-Cultural Clinical Practice Skills** – The term “cross-cultural clinical practice skills” means the skills utilized by practitioners to ensure services provided are respectful and responsive to a Participant’s cultural and linguistic needs. Skills include: recognizing cultural differences in consumer interactions; using specific communication skills to improve services to consumers; and identifying one’s own biases in order to ensure services are not hindered by a Participant’s ethnicity, culture, race, religion, age, gender, gender-identity, or sexual orientation.

**Cross-Cutting Audit Finding** (*Uniform Guidance, 2 CFR 200.30*) – The term “cross-cutting audit finding” means an audit finding where the same underlying condition or issue affects Federal awards of more than one Federal awarding agency or pass-through entity.

**Cultural Competency** - The term “cultural competency” means a set of congruent behaviors, attitudes, knowledge-based skills and policies that come together in a system, agency or among professionals that enables effective provision of services to Participants from a particular ethnic, racial or other social group (including those defined by religion, age, gender, gender-identity or sexual orientation.) “Culture” refers to integrated patterns of human behavior that include the language, thoughts, communications, actions, customs, beliefs, values and institutions of racial, ethnic, religious or other social groups. “Competence” implies having the capacity to function effectively as an individual and an

organization within the context of the cultural beliefs, behaviors and needs presented by consumers and their communities.

**Customer Relationship Management Module (CRM)** – The term “customer relationship management module” means a CalJOBS based tool, supported by the Employment Development Department (EDD), which allows Local Boards and their partners who have access to the CalJOBS system to record, track and report a variety of business engagement activities at the individual company level.

**Customized training** - The term “customized training” means training:

- a) That is designed to meet the specific requirements of an employer (including a group of employers);
- b) That is conducted with a commitment by the employer to employ an individual upon successful completion of the training; and
- c) For which the employer pays:
  1. A significant portion of the cost of training, as determined by the local board involved, taking into account the size of the employer and such other factors as the local board determines to be appropriate, which may include the number of employees participating in training, wage and benefit levels of those employees (at present and anticipated upon completion of the training), relation of the training to the competitiveness of a participant, and other employer-provided training and advancement opportunities; and
  2. In the case of customized training, involving an employer located in multiple local areas in the state, a significant portion of the cost of the training, as determined by the governor of the state, taking into account the size of the employer and such other factors as the governor determines to be appropriate.

## D

**Data Universal Numbering System (DUNS) Number** (*Uniform Guidance, 2 CFR 200.32*) – The term “data universal numbering system number” means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify entities. A non-Federal entity is required to have a DUNS number in order to apply for, receive, and report on a Federal award. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

**Diagnostic Testing** – The term “diagnostic testing” means in-depth evaluation with a relatively narrow scope of analysis, aimed at identification of a specific condition or problem.

**Diploma** – The term “diploma” means any credential that the state education agency accepts as equivalent to a high school diploma. The term diploma also includes post-secondary degrees including Associate (AA ad AS) and Bachelor Degrees (BA and BS).

**Disallowed Costs** (*Uniform Guidance, 2 CFR 200.31*) – The term “disallowed costs” means those charges to a Federal award that the Federal awarding agency or pass-through entity determines to be unallowable, in accordance with the applicable Federal statutes, regulations, or the terms and conditions of the Federal award.

**Disconnected Youth** – The term “disconnected youth” means a youth that is economically disadvantaged and one or more of the following:

- a) An out-of-school youth, including out-of-school youth who are unemployed;
- b) In or aging out of foster care;
- c) Have limited English proficiency;
- d) Homeless or who have run away from home;
- e) At-risk to leave secondary school without a diploma;
- f) Former juvenile offenders or at risk of delinquency; or
- g) Individuals with disabilities.

**Dislocated worker** - The term “dislocated worker” means an individual who:

- a) Category 1 - Terminated or laid off, or has received a notice of termination or layoff, from employment; AND eligible for or has exhausted entitlement to unemployment compensation; AND is unlikely to return to a previous industry or occupation; or
- b) Category 2 – Terminated or laid off, or has received a notice of termination or layoff, from employment; AND employed for a duration sufficient to demonstrate, to the appropriate entity at a One-Stop center referred to in WIOA Section 121(e), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed Services for an employer that were not covered under a State unemployment compensation law; AND is unlikely to return to a previous industry or occupation; or
- c) Category 3 - Terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise; or
- d) Category 4 - Is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or for purposes of eligibility to receive non-staff assisted Basic Career Services only, is employed at a facility at which the employer has made a general announcement that such facility will close; or
- e) Category 5 - Was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters; or
- f) Category 6 - Is a displaced homemaker; or
- g) Category 7 - Is the spouse of a member of the Armed Forces on active duty (as defined in section 101(d)(1) of title 10, United States Code), AND who has

experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member; or

- h) Category 8 - Is the spouse of a member of the Armed Forces on active duty and who is unemployed or underemployed AND is experiencing difficulty in obtaining or upgrading employment.

**Dislocation Event** – The term “dislocation event” means an event that results in workers facing loss of employment through a permanent closure or mass layoff, or a natural or other disaster.

**Displaced homemaker** - The term ‘displaced homemaker’ means an individual who has been providing unpaid services to family members in the home and who:

- a) Has been dependent on the income of another family member but is no longer supported by that income; or
- b) Is the dependent spouse of a member of the Army, Navy, Air Force, Marine Corps, and Coast Guard on active duty and whose family income is significantly reduced because of a deployment, a call or order to active duty pursuant to a provision of law, a permanent change of station, or the service-connected death or disability of the member; and
- c) Is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

**Drawdown** (*31 CFR 205.3 (Cash Management Improvement Act)*) –The term “drawdown” means any process whereby states and other direct recipients request and receive Federal funds. Drawdown also means any process where sub-recipients request and receive Federal funds from the primary recipient.

## E

**Economic Development Activities** – The term “economic development activities” means policies, and programs of a state, region, or municipality used to create conditions that enable long-term economic growth. These activities often include investments in the generation of new ideas, knowledge transfer, and infrastructure and rely on cooperation between the public and private sectors.

**Economic Development Agency** - The term “economic development agency” includes a local planning or zoning commission or board, a community development agency, or another local agency or institution responsible for regulating, promoting, or assisting in local economic development.

**Eligible (Eligibility)** – The term “eligible (eligibility)” refers to an individual’s status in relation to their ability to receive services provided by the Comprehensive AJCC or AJCC.

**Eligible Provider** (*WIOA, Section 203(4)*) – The term “eligible provider” means an organization that has demonstrated effectiveness in providing adult education and literacy activities that may include—

- (A) a local educational agency;
- (B) a community-based organization or faith-based organization;
- (C) a volunteer literacy organization;
- (D) an institution of higher education;
- (E) a public or private nonprofit agency;
- (F) a library;
- (G) a public housing authority;
- (H) a nonprofit institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult education and literacy activities to eligible individuals;
- (I) a consortium or coalition of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H); and
- (J) a partnership between an employer and an entity described in any of subparagraphs (A) through (I).

**Employee Benefits** – Under the SCSEP program, the term “employee benefits” means benefits offered to participants and includes worker’s compensation, FICA, and a physical exam. Case management and medical coverage are not considered employee benefits.

**Employer Association** – The term “employer association” means a collective organization of manufacturers, retailers, or other employers of wage labor. Employers’ organizations seek to coordinate the behavior of their member companies during negotiations with trade unions or government bodies.

**Employment Generating Activities** – The term “employment generating activities” means activities that stimulate job creation. Employment Generating Activities are generally disallowed under WIOA except for employer outreach and job development activities that are directly related to training for eligible individuals. These employer outreach and job development activities include:

- a) Contacts with potential employers for the purpose of placement of WIOA participants;
- b) Participation in business associations (such as chambers of commerce); joint labor management committees, labor associations, and resource centers;
- c) WIOA staff participation on economic development boards and commissions, and work with economic development agencies to:
  - i. Provide information about WIOA programs;
  - ii. Assist in making informed decisions about community job training needs;and

- iii. Promote the use of first source hiring agreements and enterprise zone vouchering services;
- d) Active participation in local business resource centers (incubators) to provide technical assistance to small and new businesses to reduce the rate of business failure;
- e) Subscriptions to relevant publications;
- f) General dissemination of information on WIOA programs and activities;
- g) The conduct of labor market surveys;
- h) The development of on-the-job training opportunities; and
- i) Other allowable WIOA activities in the private sector.

**Employment Training Panel (ETP)** – The term “Employment Training Panel” means an entity that provides incumbent worker training funding to employers to assist in upgrading the skills of their workers through training that leads to good paying, long-term jobs. The ETP is a funding agency, not a training agency. Businesses determine their own training needs and how to provide training. ETP staff is available to assist in applying for funds and other aspects of participation.

**English Language Learner** - The term “English language learner” when used with respect to an eligible individual, means an eligible individual who has limited ability in reading, writing, speaking, or comprehending the English language, and

- a) Whose native language is a language other than English; or
- b) Lives in a family or community environment where a language other than English is the dominant language.

**Enrollment** – The term “enrollment” means the process whereby an eligible Participant is admitted into the program and begins to receive services at Comprehensive AJCCs or AJCCs.

**Equipment** (*Uniform Guidance, 2 CFR 200.22*) – The term “equipment” means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. See also Sec. Sec. 200.12 Capital assets, 200.20 Computing devices, 200.48 General purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies.

**Excess Property** (*Uniform Guidance, 2 CFR 200.312*) – The term “excess property” means property under the control of the DOL that, as determined by the Secretary of Labor, is no longer required for its needs or the discharge of its responsibilities.

**Exempt Property.** (*Uniform Guidance, 2 CFR 200.313*) – The term “exempt property” means tangible personal property acquired in whole or in part with Federal funds, where the DOL has statutory authority to vest title in the recipient without further obligation to the Federal government.

**Expenditures** (*Uniform Guidance, 2 CFR 200.34*) – The term “expenditures” means charges made by a non-Federal entity to a project or program for which a Federal award was received.

- (a) The charges may be reported on a cash or accrual basis, as long as the methodology is disclosed and is consistently applied.
- (b) For reports prepared on a cash basis, expenditures are the sum of:
  - (1) Cash disbursements for direct charges for property and services;
  - (2) The amount of indirect expense charged;
  - (3) The value of third-party in-kind contributions applied; and
  - (4) The amount of cash advance payments and payments made to sub-recipients.
- (c) For reports prepared on an accrual basis, expenditures are the sum of:
  - (1) Cash disbursements for direct charges for property and services;
  - (2) The amount of indirect expense incurred;
  - (3) The value of third-party in-kind contributions applied; and
  - (4) The net increase or decrease in the amounts owed by the non-Federal entity for:
    - (i) Goods and other property received;
    - (ii) Services performed by employees, contractors, sub-recipients, and other payees; and
    - (iii) Programs for which no current services or performance are required such as annuities, insurance claims, or other benefit payments.

**Expungement Assistance** - The term “expungement assistance” means a service, which provides legal assistance for record expungement, court orders, traffic citations which entails Comprehensive AJCCs or AJCCs working with legal aid to clear criminal records, thus supporting job placement.

## F

**Federal Audit Clearinghouse (FAC)** (*Uniform Guidance, 2 CFR 200.36*) – The term “federal audit clearinghouse” means the clearinghouse designated by OMB as the repository of record where non-Federal entities are required to transmit the reporting packages required by Subpart F--Audit Requirements of the Uniform Guidance. The



mailing address of the FAC is Federal Audit Clearinghouse, Bureau of the Census, 1201 E. 10th Street, Jeffersonville, IN 47132 and the web address is: <http://harvester.census.gov/sac/>. Any future updates to the location of the FAC may be found at the OMB Web site.

**Federal Award** (*Uniform Guidance, 2 CFR 200.38*) – The term “federal award” has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

(a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in Sec. 200.101 Applicability; or

(2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in Sec. 200.101 Applicability.

(b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of Sec. 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.

(c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).

(d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

**Federal Award Date** (*Uniform Guidance, 2 CFR 200.39*) – The term “federal award date” means the date when the Federal award is signed by the authorized official of the Federal awarding agency.

**Federal Awarding Agency** (*Uniform Guidance, 2 CFR 200.37*) – The term “federal awarding agency” means the Federal agency that provides a Federal award directly to a non-Federal entity.

**Federal Interest** (*Uniform Guidance, 2 CFR 200.41*) – The term “federal interest” means, for purposes of Sec. 200.329 Reporting on real property or when used in connection with the acquisition or improvement of real property, equipment, or supplies under a Federal award, the dollar amount that is the product of the:

(a) Federal share of total project costs; and

(b) Current fair market value of the property, improvements, or both, to the extent the costs of acquiring or improving the property were included as project costs.

**Federal Financial Assistance** (*Uniform Guidance, 2 CFR 200.40*) – For grants and cooperative agreements, Federal financial assistance means assistance that non-Federal entities receive or administer in the form of:

- (1) Grants;
- (2) Cooperative agreements;
- (3) Non-cash contributions or donations of property (including donated surplus property);
- (4) Direct appropriations;
- (5) Food commodities; and
- (6) Other financial assistance (except assistance listed in paragraph (b) of this section).

For Subpart F--Audit Requirements of this part, Federal financial assistance also includes assistance that non-Federal entities receive or administer in the form of:

- (1) Loans;
- (2) Loan Guarantees;
- (3) Interest subsidies; and
- (4) Insurance.

(c) Federal financial assistance does not include amounts received as reimbursement for services rendered to individuals as described in Sec. 200.502 Basis for determining Federal awards expended, paragraph (h) and (i) of this Part.

**Federal Program** (*Uniform Guidance, 2 CFR 200.41*) – The term “federal program” means:

(a) All Federal awards which are assigned a single number in the CFDA.

(b) When no CFDA number is assigned, all Federal awards to non-Federal entities from the same agency made for the same purpose should be combined and considered one program.

(c) Notwithstanding paragraphs (a) and (b) of this definition, a cluster of programs. The types of clusters of programs are:

- (1) Research and development (R&D);
- (2) Student financial aid (SFA); and
- (3) “Other clusters,” as described in the definition of Cluster of Programs.

**Federal Share** (*Uniform Guidance, 2 CFR 200.43*) – The term “federal share” means the portion of the total project costs that are paid by Federal funds.

**Final Cost Objective** (*Uniform Guidance, 2 CFR 200.44*) - The term “final cost objective” means a cost objective which has allocated to it both direct and indirect costs and, in the non-Federal entity's accumulation system, is one of the final accumulation points, such as a particular award, internal project, or other direct activity of a non-Federal entity. See also Sec. Sec. 200.28 Cost objective and 200.60 Intermediate cost objective.

**Final Determination** (State Directive WIAD01-3) – The term “final determination” means the awarding agency’s final decision to disallow the cost and the status of nonmonetary (administrative) findings.

**Financial Literacy Education** – The term “financial literacy education” means training including, but not limited to, budgeting and managing credit, student loans, consumer debt, and identity theft security with those specified academic areas. Financial literacy education is an essential component of preparing individuals to manage money, credit, and debt, and of becoming responsible workers, heads of households, investors, entrepreneurs, business leaders, and citizens.

**Fixed Amount Awards** (*Uniform Guidance, 2 CFR 200.45*) – The term “fixed amount awards” means a type of grant agreement under which the Federal awarding agency or pass-through entity provides a specific level of support without regard to actual costs incurred under the Federal award. This type of Federal award reduces some of the administrative burden and record-keeping requirements for both the non-Federal entity and Federal awarding agency or pass-through entity. Accountability is based primarily on performance and results. See Sec. Sec. 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts, paragraph (b) and 200.332 Fixed amount sub-awards.

**Follow-up** – *Defined for WIOA Programs*, the term “follow-up” means post-program documentation to ascertain the employment and/or education status of Participants, using the State’s Labor Exchange System (currently CalJOBS), or successor system, for all exited Participants once a quarter, for 12 months after program exit.

*Defined for Title V SCSEP*, the term “follow-up” means post-program documentation for Participants placed into unsubsidized employment to determine whether they are still employed and to make certain that Participants receive any follow-up services they may need to ensure employment retention.

**Follow-up Services** – The term “follow-up services” means post-program services that must be offered, as appropriate, for Participants who are placed in unsubsidized employment through the Adult, Dislocated Worker, SCSEP and Veterans’ Program for up to 12 months after the first day of employment. Such services include, but are not limited to, referrals to community resources and medical services, tutoring, and Supportive Services to help in retaining employment. For the WIOA Youth program, all youth Participants, regardless of whether or not they are placed in unsubsidized employment, must be offered follow-up services, as appropriate, for a minimum duration of 12 months.

## G

**General Purpose Equipment** (*Uniform Guidance, 2 CFR 200.48*) – The term “general purpose equipment” means equipment which is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air

conditioning equipment, reproduction and printing equipment, and motor vehicles. See also Equipment and Special Purpose Equipment.

**Generally Accepted Accounting Principles (GAAP)** (*Uniform Guidance, 2 CFR 200.49*) – The term “generally accepted accounting principles” has the meaning specified in accounting standards issued by the Government Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

**Generally Accepted Government Auditing Standards (GAGAS)** (*Uniform Guidance, 2 CFR 200.50*) - The term “generally accepted government auditing standards” means generally accepted government auditing standards issued by the Comptroller General of the United States, which are applicable to financial audits.

**Gender-Responsive** – The term “gender responsive” means the creation of an environment through site selection, staff selection, program development, content, and material that reflects an understanding of the realities of women’s lives and provides a strength-based approach to addressing the poverty, race, class, gender inequality and other cultural factors that affect women’s lives and experiences. {Bloom, B., and Covington, S. (2000). *Gendered justice: Programming for women in correctional settings*. American Society of Criminology, San Francisco, CA, p. 11.}.

**Grant Agreement** (*Uniform Guidance, 2 CFR 200.51*) – The term “grant agreement” means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302, 6304:

(a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal awarding agency or pass-through entity's direct benefit or use;

(b) Is distinguished from a cooperative agreement in that it does not provide for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.

(c) Does not include an agreement that provides only:

(1) Direct United States Government cash assistance to an individual;

(2) A subsidy;

(3) A loan;

(4) A loan guarantee; or

(5) Insurance.

**Grantee** (*WIOA Regulations 20 CFR 675.300*) – The term “grantee” means the direct recipient of grant funds from the Department of Labor under a grant or grant agreement. A grantee may also be referred to as a subrecipient.

## H

**High Growth Sectors** – The term “high growth sector” means an expanding sector of an industry, or one growing faster than the overall economy, or performing better, or expected to perform better, than other sectors within the industry, the wider market, or other economies.

**Homeless** – The term “homeless” means an individual who lacks a fixed, regular, and adequate residence. Examples of individuals who would fall under this definition are listed below:

- a) Individuals sharing housing due to loss of housing, economic hardship or a similar reason;
- b) Individuals living in motels, hotels, trailer parks, or camp grounds due to lack of alternative accommodations;
- c) Individuals living in emergency or transitional shelters;
- d) Individuals abandoned in hospitals;
- e) Individuals awaiting foster care placement;
- f) Individuals whose primary nighttime residence is not ordinarily used as a regular sleeping accommodation (e.g. park benches, etc.);
- g) Individuals living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations; or
- h) Migratory Individuals living in any of the above situations.

## I

**Improper Payment** (*Uniform Guidance, 2 CFR 200.5345*) – The term “improper payment” means—

(a) Improper payment means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and

(b) Improper payment includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not

received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

**Incumbent Worker** – The term “incumbent worker” means an employee of a business applying for incumbent worker training funds to up-skill and/or retrain in accordance with WIOA.

**Incumbent Worker Training** – The term “incumbent worker training” means training designed to meet the special requirements of an employer to retain a skilled workforce by assisting the workers to obtain skills needed to retain employment. Conducted with a commitment by the employer to retain or avert the layoffs of the incumbent worker(s) trained.

**In-Demand Industry Sector or Occupation** - the term “in-demand industry sector or occupation” means:

- a) An industry sector that has a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the state, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors; or
- b) An occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the state, regional, or local economy, as appropriate.

The determination of whether an industry sector or occupation is in-demand, shall be made by the state board or local board, as appropriate, using state and regional business and labor market projections, including the use of labor market information.

**Indian Tribe (Or Federally Recognized Indian Tribe)** (*Uniform Guidance, 2 CFR 200.54*) - means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. Chapter 33), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians (25 U.S.C. 450b(e)). See annually published Bureau of Indian Affairs list of Indian Entities Recognized and Eligible to Receive Services.

**Indirect (Facilities & Administrative (F&A)) Costs** (*Uniform Guidance, 2 CFR 200.5645*) – The term “indirect costs” mean those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect (F&A) costs. Indirect (F&A)

cost pools should be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.

**Indirect Cost Rate Proposal** (*Uniform Guidance, 2 CFR 200.5745*) – The term “indirect cost rate proposal” means the documentation prepared by a non-Federal entity to substantiate its request for the establishment of an indirect cost rate as described in Appendix III to Part 200--Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs) through Appendix VII to Part 200--States and Local Government and Indian Tribe Indirect Cost Proposals of this Part.

**Individual Employment Plan/Individual Service Strategy (IEP/ISS)** - *Defined for WIOA Programs, the term “individual employment plan (IEP) means an individual plan for adults, dislocated workers and youth which includes an employment goal (including consideration of nontraditional employment), appropriate achievement objectives and the appropriate combination of training and support services for the participant based on the objective assessment. IEP/ISS also refers to the actual “living document” of employment or services strategy plan within the CalJOBS system.*

*Defined for Title V SCSEP, the term “individual employment plan (IEP)” means a plan for a participant that includes an employment goal, achievement of objectives, and appropriate sequence of services for the participant based on an assessment conducted by the contractor or sub-contractor and jointly agreed upon by the participant.*

**Individual with a Disability** – The term “individual with disability” means individuals who have disabilities as defined in the Americans with Disabilities Act. The Americans with Disabilities Act (ADA) has a three-part definition of "disability" that reflects the specific types of discrimination experienced by people with disabilities. Accordingly, it is not the same as the definition of disability in other laws, such as state workers' compensation laws or other federal or state laws that provide benefits for people with disabilities and disabled veterans. Under the ADA, an individual with a disability is a person who:

- a) Has a physical or mental impairment that substantially limits one or more major life activities;
- b) Has a record of such an impairment; or
- c) Is regarded as having such an impairment.

**Individual Trauma** – The term “individual trauma” means the results from an event, series of events, or set of circumstances that is experienced by an individual as physically or emotionally harmful or life threatening and that has lasting adverse effects on the individual’s functioning and mental, physical, social, emotional, or spiritual well-being.

**Individualized Career Services** – The term “individualized career services” means services that, if Comprehensive AJCC or AJCC staff determine are appropriate for an individual to obtain or retain employment, must be made available to the individual. Comprehensive AJCC or AJCC staff may use recent previous assessments by partner programs to determine if individualized career services would be appropriate. These services include:

- a) Comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers, which may include:
  - i. Diagnostic testing and use of other assessment tools; and
  - ii. In-depth interviewing and evaluation to identify employment barriers and appropriate employment goals;
- b) Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve his or her employment goals, including the list of, and information about, eligible training providers;
- c) Group and/or individual counseling and mentoring;
- d) Career planning (e.g. case management);
- e) Short-term pre-vocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills , and professional conduct to prepare individuals for unsubsidized employment or training, in some instances pre-apprenticeship programs may be considered as short-term prevocational services;
- f) Internships and work experiences that are linked to careers ;
- g) Workforce preparation activities that help an individual acquire a combination of basic academic skills, critical thinking skills, digital literacy skills, and self-management skills, including competencies in utilizing resources, using information, working with others, understanding systems, and obtaining skills necessary for successful transition into and completion of postsecondary education, or training, or employment;
- h) Financial literacy services;
- i) Out-of-area job search assistance and relocation assistance; and
- j) English language acquisition and integrated education and training programs.

**Industry Business Council** – The term “industry business council” means a group of business-minded individuals interested in expanding the influence of business by working together on common issues.

**Industry or sector partnership** - the term “industry or sector partnership” means a workforce collaborative, convened by or acting in partnership with a state board or local board, that:

- a) Organizes key stakeholders in an industry cluster into a working group that focuses on the shared goals and human resources needs of the industry cluster and that includes, at the appropriate stage of development of the partnership:
  - i. Representatives of multiple businesses or other employers in the industry cluster, including small and medium-sized employers when practicable;
  - ii. 1 or more representative(s) of a recognized state labor organization or central labor council, or another labor representative, as appropriate; and



- iii. 1 or more representative(s) of an institution of higher education with, or another provider of, education or training programs that support the industry cluster; and
- b) May include representatives of:
- i. State or local government;
  - ii. State or local economic development agencies;
  - iii. State boards or local boards, as appropriate;
  - iv. A state workforce agency or other entity providing employment services;
  - v. Other state or local agencies;
  - vi. Business or trade associations;
  - vii. Economic development organizations;
  - viii. Nonprofit organizations, community-based organizations, or intermediaries;
  - ix. Philanthropic organizations;
  - x. Industry associations; and
  - xi. Other organizations, as determined to be necessary by the members comprising the industry or sector partnership.

**Initial assessment** – The term “initial assessment” means a service utilized by Comprehensive AJCC or AJCC staff to determine skill levels of Participants, including literacy, numeracy, and English language proficiency, as well as aptitudes, abilities (including skills gaps), and supportive service needs.

**In-School Youth** – Under the WIOA Youth program, the term “in-school youth” means a youth enrolled in a secondary school program, and who is seeking a secondary school diploma. Additionally, an In-School Youth means an individual who is:

- a) Attending school (as defined by State law), including secondary and post-secondary school;
- b) Not younger than age 14 or (unless an individual with a disability who is attending school under State law) older than age 21 at the time of enrollment in WIOA (age eligibility is based on age at enrollment, therefore participants may continue to receive services beyond the age of 21 once they are enrolled in the program);
- c) A low-income individual; and
- d) Have one or more of the following 8 barriers:
  - i. Basic skills deficient;

- ii. An English language learner;
- iii. An offender;
- iv. A homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6))), a homeless child or youth (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2))) or a runaway;
- v. In foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677), or in an out-of-home placement;
- vi. A youth who is pregnant or parenting;
- vii. A youth who is an individual with a disability;
- viii. An individual who requires additional assistance\* to complete an educational program or to secure or hold employment. (WIOA Sec. 129(a)(1)(C)). \*Requires Additional Assistance - Under WIOA, no more than 5 percent of In-School youth enrolled in a given program year may be found eligible based solely on meeting the criterion, “requires additional assistance.”

**In-Service Training** - The term “in-service training” means a training given to employees during the course of employment that takes place while employed. It often connotes employees being trained with their employment peer group and discussing their work and/or training with others in their peer group.

**Information-Only Service** – under the Adult and Dislocated Worker programs, the term “information-only service” means the following:

- a) Provide readily available information that does not require an assessment by a staff member of the individual’s skills, education, or career objectives.
- b) May include both self-service basic career services and staff-assisted basic career services.
  - a. Both are designed to inform and educate an individual about the labor market and to enable an individual to identify his or her employment strengths, weaknesses, and range of appropriate services.
  - b. Basic career services that require significant staff involvement are not considered information-only services or activities.

**Information Technology Systems** (*Uniform Guidance, 2 CFR 200.58*) – The term “information technology systems” means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. See also Sec. 200.20 Computing devices and 200.33 Equipment.

**Initial Determination** (State Directive WIAD01-3) - A preliminary decision on whether to allow or disallow questioned costs and resolve nonmonetary findings.

**Institution of higher education** - the term “institution of higher education” means an educational institution in any State that:

- a) Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate;
- b) Is legally authorized within such State to provide a program of education beyond secondary education;
- c) Provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2- year program that is acceptable for full credit toward such a degree, or awards a degree that is acceptable for admission to a graduate or professional degree program, subject to review and approval by the Secretary;
- d) Is a public or other nonprofit institution; and
- e) Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted pre-accreditation status by such an agency or association that has been recognized by the Secretary for the granting of pre-accreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.

**Intake** – The term “intake” means the process of collecting basic eligibility and demographic information (e.g., name, address, phone number, SSN) to enable an individual to participate in a Program.

**Intangible Property** (*Uniform Guidance, 2 CFR 200.59*) - means property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

**Integrated education and training** - The term “integrated education and training” means a service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement.

**Integrated Services Delivery (ISD) Model** – The term “integrated service delivery (ISD) model” represents the delivery of “one-stop” workforce services in a manner that aligns all of the resources of participating partners to seamlessly address the training and employment needs of system Participants and Employers. ISD is intended to reduce duplication and administrative burdens in order to provide a better match between job seekers and employers through more coordinated screening, assessment, skill development, and skill certification opportunities related to the need of employers and economies. The goal is more people obtaining and retaining jobs, and receiving better wages. The ISD Model framework includes the core principles of a common customer pool, common customer flow, and common staffing.

**Intermediate Cost Objective** (*Uniform Guidance, 2 CFR 200.60*) – The term “intermediate cost objective” means a cost objective that is used to accumulate indirect costs or service center costs that are subsequently allocated to one or more indirect cost

pools or final cost objectives. See also Sec. 200.28 Cost objective and Sec. 200.44 Final cost objective.

**Internal Controls** (*Uniform Guidance, 2 CFR 200.61*) – The term “internal controls” means a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- (a) Effectiveness and efficiency of operations;
- (b) Reliability of reporting for internal and external use; and
- (c) Compliance with applicable laws and regulations.

**Internal Control Over Compliance Requirements For Federal Awards** (*Uniform Guidance, 2 CFR 200.62*) – The term “internal control over compliance requirements for federal awards” means a process implemented by a non-Federal entity designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards:

- (a) Transactions are properly recorded and accounted for, in order to:
  - (1) Permit the preparation of reliable financial statements and Federal reports;
  - (2) Maintain accountability over assets; and
  - (3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;
- (b) Transactions are executed in compliance with:
  - (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and
  - (2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and
- (c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

**Interview Techniques** – The term “interview techniques” means expert advice to job seeker on how to respond to various questions designed to gather information on the suitability of a candidate to fill a job opening and what to do after the interview is over.

**Invitation for Bid (IFB)** (*Uniform Guidance, 2 CFR 200.319*) – the “invitation for bid” means all documents, whether attached or incorporated by reference, used in soliciting bids.

## J

**Jail Based Affiliate** – The term “jail based affiliate” means an Affiliate located in a jail and associated with, or part of, a Comprehensive AJCC or AJCC. The Jail Based Affiliate has separate performance goals, but funding may or may not be separate from its Comprehensive AJCC or AJCC. Jail based Affiliate will provide on-site workforce Services to soon-to-be-released L.A. County Jail inmates to prepare them for successful re-entry and sustained employment in their home communities. Jail Based Affiliates are not responsible for separate MOUs or RSAs.

**Job Matching** – The term “job matching” specifies how job seeker’s attribute values such as skills; education, experience, work habits etc. are matched to specific job/position requirements.

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

**Job Ready** – Under the SCSEP, the term “job ready” refers to individuals who do not require further education or training to perform work that is available in their labor market.

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

**Job Retention** – The term “job retention” means the ability to keep a job for an extended period of time which shows that a worker has the skills to fit into the workplace and succeed in a job.

**Job Search Assistance** – The term “job search assistance” means a training, which provides the customer with the instruction and necessary skill to obtain full time employment. These skills may include resume writing, interviewing skills, telephone techniques, and job acquisition skills.

**Job Shadowing** – The term “job shadowing” means an unpaid short-term activity offered by an employer who agrees to engage a student to follow or “shadow” them throughout their work day, providing insight on the duties and skills of the position, and information on career tracks.

## L

**Labor Federation** (*WIOA Regulations 20 CFR 675.300*) - means an alliance of two or more organized labor unions for the purpose of mutual support and action.

**Labor Market Area** - The term “labor market area” means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence. Such an area shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor.

**Labor Market Information (LMI)** – The term “labor market information (LMI)” means the four major areas of information, which include national job trends (including supply and demand), local job opportunities, education and skill requirements for jobs, and job seeking skills (writing resumes, job interview techniques, etc.).

**Labor Organization** – The term “labor organization” means an organized association of workers, often in a trade or profession, formed to protect and further their rights and interests.

**Lay-Off Aversion** - The term “lay-off aversion” means an allowable activity under the Rapid Response Program. When companies are at-risk of laying off workers, there are activities that can be done or changes that can be made to reduce the number of positions that will be laid off or completely avoid the layoff altogether. The purpose of Layoff Aversion is to provide a flexible and responsible respond to the needs of the business community.

**Leasehold Improvements (GAAP)** – means improvements to leased property made by the lessee that usually revert to the lessor at the end of the life of the lease. If the lessee constructs new buildings on the land or reconstructs and improves existing buildings, the lessee has the right to use such facilities during the life of the lease, but they become the property of the lessor when the lease expires.

**License Fee** (*State Directive WSD13-14*) – means payment for authorization allowing use of property, equipment or proprietary software.

**Limited English Proficiency (LEP)** – The term “limited English proficiency (LEP)” refers to an individual with limited ability to read, write, speak or understand the English language.

**Literacy** - The term “literacy” means an individual’s ability to read, write, and speak in English, compute, and solve problems, at levels of proficiency necessary to function on the job, in the family of the individual, and in society.

**Local Area** (*WIOA, Section 3(32)*) – The term “local area” means a local workforce investment area designated under section 106, subject to sections 106(c)(3)(A), 107(c)(4)(B)(i), and 189(i).

**Local Board** (*WIOA Regulations 20 CFR 675.300*) – The term “local board” means a Local Workforce Development Board established under WIOA sec. 107, to set policy for the local workforce investment system.

**Local Government** (*Uniform Guidance, 2 CFR 200.64*) – The term “local government” means any unit of government within a state, including a:

- (a) County;
- (b) Borough;
- (c) Municipality;
- (d) City;
- (e) Town;
- (f) Township;
- (g) Parish;
- (h) Local public authority, including any public housing agency under the United States Housing Act of 1937;
- (i) Special district;
- (j) School district;
- (k) Intrastate district;
- (l) Council of governments, whether or not incorporated as a nonprofit corporation under state law; and
- (m) Any other agency or instrumentality of a multi-, regional, or intra-state or local government.

**Local Plan** (*WIOA, Section 3(35)*).—The term “local plan” means a plan submitted under section 108 of WIOA, subject to section 106(c)(3)(B).

**Local Workforce Development Area (LWDA)** – The term “local workforce development area (LWDA)” means a service delivery area designated by the State under Workforce Innovation and Opportunity Act (WIOA) . Factors that are considered in designating these LWDA's include geographic location, population, and commonality of labor market areas.

**Low Employment Prospects** – Under the SCSEP, the term “low employment prospects” means the likelihood that an individual will not obtain employment without the assistance of the SCSEP or another workforce development program. Persons with low employment prospects have a significant barrier to employment may include but are not limited to : Lacking a substantial employment history, basic skills, and/or English –language proficiency; lacking a high school diploma or the equivalent; having a disability; being homeless; or residing in socially and economically isolated rural or urban areas where employment opportunities are limited.

**Low income individual** - The term “low-income individual” means an individual who:

- a) receives, or in the past 6 months has received, or is a member of a family that is receiving or in the past 6 months has received, assistance through the supplemental nutrition assistance program, the program of block grants to states for temporary assistance for needy families program, or the supplemental security income program, or state or local income-based public assistance;
- b) is in a family with total family income that does not exceed the higher of—
  - i. The poverty line; or
  - ii. 70 percent of the lower living standard income level;
- c) is a homeless individual, or a homeless child or youth;
- d) Receives or is eligible to receive a free or reduced price lunch;
- e) Is a foster child on behalf of whom State or local government payments are made; or
- f) Is an individual with a disability whose own income meets the income requirement of clause (b), but who is a member of a family whose income does not meet this requirement.

**Lower Tier Subaward:** The written and legally binding agreement that is executed between Subrecipient and a third-party vendor (where the vendor is a third-party to this Subaward). It sets forth the terms and conditions for the issuance and performance of any element of the Statement of Work. Such agreement shall be pre-approved by County prior to its execution between the parties.

**Lower Tier Subrecipient:** A third-party vendor who is properly procured by Subrecipient for the purpose of completing the Work/providing Services in accordance with this Subaward.

## M

**Major Program** (*Uniform Guidance, 2 CFR 200.65*) – The term “major program” means a Federal program determined by the auditor to be a major program in accordance with Sec. 200.518 Major program determination or a program identified as a major program by a Federal awarding agency or pass-through entity in accordance with Sec. 200.503 Relation to other audit requirements, paragraph (e).



**Micro-Purchase** (*Uniform Guidance, 2 CFR 200.67*) – The term “micro-purchase” means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. Micro-purchase procedures comprise a subset of a non-Federal entity's small purchase procedures. The non-Federal entity uses such procedures in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is \$3,000 except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation.

**Modified Total Direct Cost (MTDC)** (*Uniform Guidance, 2 CFR 200.68*) – The term “modified total direct cost” means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and sub-awards and subcontracts up to the first \$25,000 of each sub-award or subcontract (regardless of the period of performance of the sub-awards and subcontracts under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each sub-award and subcontract in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

**Management Decision** (*Uniform Guidance, 2 CFR 200.6664*) – The term “management decision” means the evaluation by the Federal awarding agency or pass-through entity of the audit findings and corrective action plan and the issuance of a written decision to the auditee as to what corrective action is necessary.

**Management Report** – Under the SCSEP, the term “management report” means data to be used in conjunction with the Quarterly Progress Report (QPR), to review and evaluate the quality of the information in your database, understand the characteristics of participants, manage the SCSEP Program, and improve the quality of services.

**Mandated Partners** – The term “mandated partners” means the partners required by WIOA for Comprehensive AJCCs and AJCCs. These partners:

- a) Provide access through the Comprehensive AJCC and AJCC system to such program or activities carried out by the entity that are applicable to the program or activities available at the Comprehensive AJCC or AJCC (in addition to any other appropriate locations);
- b) Use a portion of the funds available for the program and activities to maintain the Comprehensive AJCC or AJCC “one-stop” system, including payment of the infrastructure costs;
- c) Enter into a local memorandum of understanding with the Local Board, relating to the operation of the system;
- d) Participate in the operation of the “one-stop” system consistent with the terms of the memorandum of understanding, the requirements of this title, and the requirements of the Federal laws authorizing the program or activities; and
- e) Provide representation on the State Board.

**Market Price** - The term “market price” means the price currently established in the usual and ordinary course of trade between buyers and vendors (sellers) and for which the parties free to bargain. The price must be established from sources independent of the vendor.

**Mass Layoff** – The term “mass layoff” means an employment loss at the employment site during any 30-day period for 500 or more employees, or for 50-499 employees if they make up at least 33% of the employer's active workforce.

**Modified Positions** – Under the SCSEP program, the term “modified positions” means the number of authorized positions is modified to account for higher state minimum wages in the SCSEP program.

**MOU** (*WIOA Section 121*) – The term “MOU” means Memorandum of Understanding.

**Most-in-Need** – Under the SCSEP Program, the term “most-in need” means service to participants who meet any of the following characteristics: have a severe disability; are frail; are aged seventy-five (75) or older; meet the eligibility requirements related to age for, but do not receive, the benefits under Title II of the Social Security Act; live in an area with persistent unemployment and are individuals with severely limited employment prospects; have LEP; have low literacy skills; have a disability; reside in a rural area; are veterans; have low employment prospects; have failed to find employment after utilizing services provided under Title I of WIOA; or are homeless or at risk of homelessness

## N

**Negotiated Procurement (a/k/a Competitive Proposal Procurements)** (*Uniform Guidance, 2 CFR 200.320(d)*) – The term “negotiated procurement” means a process similar to the competitive sealed bidding procurements except that offerors and the awarding agency discuss or negotiate aspects of the proposal, such as price. Negotiations are held with all offerors in the competitive range based upon the evaluation factors set out in the RFP.

**Non-Federal Entity** (*Uniform Guidance, 2 CFR 200.69*) – The term “non-federal entity” means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or sub-recipient.

**Nonmonetary Finding** (*State Directive WIAD01-3*) – The term “nonmonetary finding” means an audit conclusion concerning deficiencies in the auditee’s management or financial controls, procedures or systems.

**Nonprofit Organization** (*Uniform Guidance, 2 CFR 200.70*) – The term “nonprofit organization” means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

- (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
- (b) Is not organized primarily for profit; and
- (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

**Nontraditional Employment** - The term “nontraditional employment” refers to occupations or fields of work, for which individuals from the gender involved comprise less than 25 percent of the individuals employed in each such occupation or field of work.

**Non-Worker Adjustment and Retraining Notification (non- WARN)** – Under the Rapid Response Program, the term “non-worker adjustment and retraining notification (non-WARN) means a designation of a status for any business reporting closure or reduction-in-force via any means, not required by federal law to submit a WARN. These businesses can be any size and the layoff is considered non-WARN when it is of less than 50 employees.

## O

**Objective Assessment** - The term “objective assessment” means an assessment of the academic levels, skill levels, and service needs of each Participant, which includes a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), supportive service needs, and developmental needs of Participants, for the purpose of identifying appropriate services and career pathways for Participants.

**Obligations** (*Uniform Guidance, 2 CFR 200.71*) - The term “obligations” means when used in connection with a non-Federal entity's utilization of funds under a Federal award, obligations means orders placed for property and services, contracts and sub-awards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

**Occupational Cluster** - The term “occupational cluster” means groupings of careers that are similar based on required skills, knowledge, duties, and education and working environments.

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

**Offender** - The term “offender” means an adult or juvenile who:

- a) Is or has been subject to any stage of the criminal justice process, and for whom services under this act may be beneficial; or
- b) Requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

**Offeror** – The term “offeror” means a person that submits a proposal in response to a Request for Proposal.

**Office of Management and Budget (OMB)** (*Uniform Guidance, 2 CFR 200.72*) - means the Executive Office of the President, Office of Management and Budget.

**On-the-Job Training (OJT)** – The term “on-the-job training (OJT)” means training by an employer that is provided to a Participant while engaged in productive work that:

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

**One-Stop Center** (*WIOA, Section 3(40)*) – The term “one-stop center” means a site described in section 121(e)(2).

**One-Stop Operator** (*WIOA, Section 3(41)*) – The term “one-stop operator” means 1 or more entities designated or certified under WIOA Section 121(d).

**One-Stop System** – The term “one-stop system”, also known as America’s Job Center of California (AJCC) System in Los Angeles County, includes Comprehensive AJCCs and AJCCs. This system improves job and career options for our nation’s workers and jobseekers through an integrated, job-driven public workforce system that links diverse talent to businesses. It supports the development of strong, vibrant regional economies where businesses thrive and people want to live and work.

**One-Stop Partner** (*WIOA, Section 3(42)*) –The term “one-stop partner” means—

- (A) an entity described in section 121(b)(1); and
- (B) an entity described in section 121(b)(2) that is participating, with the approval of the local board and chief elected official, in the operation of a one-stop delivery system.

**One-Stop Partner Program** (*WIOA, Section 3(43)*) – The term “one-stop partner program” means a program or activities described in section 121(b) of a one-stop partner.

**Operating Lease** (GAAP) – The term “operating lease” means a lease that does not qualify as a capital lease.

**Out-of-School Youth** – Under the WIOA Youth Program, the term “out-of-school youth” means an individual who is:

- a) Not attending any secondary or post-secondary school (not including Title II Adult Education, Job Corps, Youth Build, or charter schools with federal and state workforce partnerships);
- b) Not younger than age 16 or older than age 24 at the time of enrollment (age eligibility is based on age at enrollment in WIOA; therefore, participants may continue to receive services beyond the age of 24 once they are enrolled in the program); and;
- c) Has one or more of the following 9 barriers:
  - i. A school dropout;
  - ii. A youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter. (Note that, “school year quarter” is defined by the local school district calendar. In cases where schools do not use quarters, local programs must use calendar year quarters);
  - iii. A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual and is either basic skills deficient or an English language learner;
  - iv. An offender;
  - v. A homeless individual or runaway;
  - vi. an individual who is in foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act, or an individual who is in an out-of-home placement;
  - vii. An individual who is pregnant or parenting;
  - viii. An individual with a disability; or
  - ix. A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.

**Oversight Agency For Audit** (*Uniform Guidance, 2 CFR 200.73*) – The term “oversight agency for audit” means the Federal awarding agency that provides the predominant amount of funding directly to a non-Federal entity not assigned a cognizant agency for audit. When there is no direct funding, the Federal awarding agency which is the predominant source of pass-through funding must assume the oversight responsibilities.

## P

**Participant** – The term “participant” means an individual who has been determined to be eligible to participate in and who is receiving services under Adult, Dislocated Worker, Veterans’, SCSEP and Youth@Work programs. In particular, for the WIOA Adult and

Dislocated Worker programs, per Section 677.150(a) of WIOA Final Rule, individuals are considered participants when they have received a WIOA service other than self-service or information-only activities and have satisfied all applicable programmatic requirements for the provision of services. For WIOA Youth, per Section 681.320 of WIOA Final Rule, all of the following must occur in order to be considered a Participant: the collection of information to support an eligibility determination; the provision of an objective assessment; and participation in any of the 14 WIOA Youth program elements.

**Participant Support Costs** (*Uniform Guidance, 2 CFR 200.75*) - mean direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects.

**Participant Wages and Fringe Benefits** – In the SCSEP program, the term “participant wages and fringe benefits” means wages paid to participants for hours worked in community service assignments including hours of orientation and training related to a community service assignment. Wages must be at the minimum wage rate (at either State or federal minimum wage, whichever is higher). The current State of California minimum wage is ten (10) dollars per hour. Participants must receive all fringe benefits required by law, including physical examinations, and worker’s compensation.

**Partner program** - The term “partner program” means required partner programs provided through the system, which include the following:

- a) Career and Technical Education (Perkins);
- b) Community Services Block Grant;
- c) Indian and Native American Programs;
- d) HUD Employment and Training Programs;
- e) Job Corps;
- f) Local Veterans' Employment Representatives and Disabled Veterans' Outreach Program;
- g) National Farmworker Jobs Program;
- h) Senior Community Service Employment Program;
- i) Temporary Assistance for Needy Families (TANF);
- j) Trade Adjustment Assistance Programs;
- k) Unemployment Compensation Programs; and

l) YouthBuild.

**Pass-Through Entity** (*Uniform Guidance, 2 CFR 200.74*) – The term “pass-through entity” means a non-Federal entity that provides a sub-award to a sub-recipient to carry out part of a Federal program.

**Pay-For-Performance Contract Strategy** (*WIOA, Section 3(45)*) – The term “pay-for-performance contract strategy” means a procurement strategy that uses pay-for-performance contracts in the provision of training services described in section 134(c)(3) or activities described in section 129(c)(2), and includes—

(A) contracts, each of which shall specify a fixed amount that will be paid to an eligible service provider (which may include a local or national community-based organization or intermediary, community college, or other training provider, that is eligible under section 122 or 123, as appropriate) based on the achievement of specified levels of performance on the primary indicators of performance described in section 116(b)(2)(A) for target populations as identified by the local board (including individuals with barriers to employment), within a defined timetable, and which may provide for bonus payments to such service provider to expand capacity to provide effective training;

(B) a strategy for independently validating the achievement of the performance described in subparagraph (A); and

(C) a description of how the State or local area will reallocate funds not paid to a provider because the achievement of the performance described in subparagraph (A) did not occur, for further activities related to such a procurement strategy, subject to section 189(g)(4).

**Performance Goal** (*Uniform Guidance, 2 CFR 200.76*) – The term “performance goal” means a target level of performance expressed as a tangible, measurable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate. In some instances (e.g., discretionary research awards), this may be limited to the requirement to submit technical performance reports (to be evaluated in accordance with agency policy).

**Performance Enhancement Plan (PEP)** – The term “performance enhancement plan” means a step-by-step plan of action to address non-compliance with contract requirements. The PEP must include an explanation of what prevented specified performance targets being met and an explanation of what will be done to mitigate the deficiency, including target dates, anticipated milestones; and any identified partners.

**Performance Measures** – The term “performance measures” means measures designed to quantify the effectiveness and continuous improvement of the One-Stop System throughout all programs funded under the Comprehensive AJCC or AJCC.

**Period Of Performance** (*Uniform Guidance, 2 CFR 200.77*) - means the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award. The Federal awarding agency or pass-through entity must include start and end dates of the period of performance in the Federal award (see Sec. Sec. 200.210 Information contained in a Federal award paragraph (a)(5) and 200.331 Requirements for pass-through entities, paragraph (a)(1)(iv)).

**Personal Property** (*Uniform Guidance, 2 CFR 200.78*) – The term “personal property” means property other than real property. It may be tangible, having physical existence, or intangible.

**Personally Identifiable Information (PII)** (*Uniform Guidance, 2 CFR 200.79*) – The term “personally identifiable information” means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. Some information that is considered to be PII is available in public sources such as telephone books, public Web sites, and university listings. This type of information is considered to be Public PII and includes, for example, first and last name, address, work telephone number, email address, home telephone number, and general educational credentials. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified. Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source, that, when combined with other available information, could be used to identify an individual.

**Placement** – *Defined for Adult, Dislocated Worker, Title V SCSEP Programs*, the term “placement” means the act of a Participant obtaining unsubsidized employment as a result of participating in the program.

*Defined for the Youth@Work Program*, the term “placement” means the act of a Participant obtaining unsubsidized employment, entering education or training as a result of participating in the program.

**Planning Region** (*WIOA, Section 3(48)*) – The term “planning region” means a region described in subparagraph (B) or (C) of section 106(a)(2), subject to section 107(c)(4)(B)(i).

**Postsecondary Education** – The term “postsecondary education” means a program at an accredited degree-granting institution that leads to an academic degree (e.g., A.A., A.S., B.A., B.S.). Programs offered by degree-granting institutions that do not lead to an academic degree (e.g., certificate programs) do not count as a placement in post-secondary education, but may count as a placement in “advanced training/occupational skills training.

**Pre-Apprenticeship** – The term “pre-apprenticeship” means a service designed to prepare individuals to enter and succeed in Registered Apprenticeship programs (



registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat.664, chapter 663; 29 U.S.C. 50 et. seq.)) and includes the following elements:

- (A) Training and curriculum that aligns with the skill needs of employers in the economy of the State or region involved;
- (B) Access to educational and career counseling and other supportive services, directly or indirectly;
- (C) Hands-on, meaningful learning activities that are connected to education and training activities, such as exploring career options, and understanding how the skills acquired through coursework can be applied toward a future career;
- (D) Opportunities to attain at least one industry-recognized credential; and
- (E) A partnership with one or more registered apprenticeship programs that assists in placing individuals who complete the pre-apprenticeship program in a registered apprenticeship program.

**Prior Approval** (2 CFR 200.407) – The term “prior approval” means 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.

**Priority of Services** – The term “priority of services” means the priority given to recipients of public assistance, other low-income individuals, or individuals who are basic skills deficient, when providing individualized career services and training services with WIOA Adult program funds. Veterans and eligible spouses also receive priority of service for all DOL-funded job training programs. Priority shall be in the following order:

- a) Veterans and eligible spouses who are also recipients of public assistance, other low income individuals, or individuals who are basic skills deficient.
- b) Individuals who are the recipient of public assistance, other low income individuals, or individuals who are basic skills deficient.
- c) Veterans and eligible spouses who are not included in WIOA’s priority groups.
- d) Other individuals not included in WIOA’s priority groups.

Under the Title V SCSEP, the term “priority of services” means priority to be provided to Participants sixty-five (65) years of age or older; Participants who are Veterans or Spouses of Veterans; Participants with disabilities; Participants with limited English proficiency; Participants with low literacy skills; Participants that reside in a rural area; Participants that have low employment prospects; Participants that have failed to find

employment after utilizing services through an America's Job Center of California; or are homeless or at risk for homelessness.

Under the Youth@Work Program, the term "priority of services" means priority to be provided to Participants with disabilities; Participants who receive, or are a member of a family that receives CalWORKs/TANF/CalLEARN benefits; recipients of General Relief or other public assistance; veterans who otherwise fall within the scope of Youth Program age and eligibility requirements; low income Participants; Participants who are basic skills deficient; and Participants designated as Disconnected Youth.

**Program Income** (*Uniform Guidance, 2 CFR 200.80*) – The term "program income" means gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance. (See Sec. 200.77 Period of performance.) Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts, and interest earned on any of them.

**Program Year** - The term "program year" means the time period which begins on July 1 and concludes on June 30 of the following year. In the context of County's programs, this term can be used interchangeably with fiscal year.

**Project Cost** (*Uniform Guidance, 2 CFR 200.83*) – The term "project cost" means total allowable costs incurred under a Federal award and all required cost sharing and voluntary committed cost sharing, including third-party contributions.

**Property** (*Uniform Guidance, 2 CFR 200.81*) – The term "property" means real property or personal property.

**Protected Personally Identifiable Information (Protected PII)** (*Uniform Guidance, 2 CFR 200.82*) – The term "protected personally identifiable information" means an individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, educational transcripts. This does not include PII that is required by law to be disclosed. (See also Sec. 200.79 Personally Identifiable Information (PII)).

**Public assistance** - The term "public assistance" means federal, state, or local government cash payments for which eligibility is determined by a needs or income calculation.

**Questioned Cost** (*Uniform Guidance, 2 CFR 200.84*) – The term “questioned cost” means a cost that is questioned by the auditor because of an audit finding which resulted from a violation or possible violation of a statute, regulation, or the terms and conditions of a Federal award, including for funds used to match Federal funds.

## R

**Rapid Re-Employment (Talent Transfer)** – In relation to Layoff Aversion activities, “Rapid Re-Employment” refers to when a laid off worker is hired by a different employer and experiences short term unemployment (45 calendar days or less). To qualify for this activity, a confirmed job offer must be on file from the hiring employer and issued within 45 days of the date the participant becomes unemployed.

**Rapid Response Activity** (*WIOA, Section 3(51)*) – The term “rapid response activity” means an activity provided by a State, or by an entity designated by a State, with funds provided by the State under section 134(a)(1)(A), in the case of a permanent closure or mass layoff at a plant, facility, or enterprise, or a natural or other disaster, that results in mass job dislocation, in order to assist dislocated workers in obtaining reemployment as soon as possible, with services including—

- (A) The establishment of onsite contact with employers and employee representatives—
  - (i) Immediately after the State is notified of a current or projected permanent closure or mass layoff; or
  - (ii) In the case of a disaster, immediately after the State is made aware of mass job dislocation as a result of such disaster;
- (B) The provision of information on and access to available employment and training activities;
- (C) Assistance in establishing a labor-management committee, voluntarily agreed to by labor and management, with the ability to devise and implement a strategy for assessing the employment and training needs of dislocated workers and obtaining services to meet such needs;
- (D) The provision of emergency assistance adapted to the particular closure, layoff, or disaster; and
- (E) The provision of assistance to the local community in developing a coordinated response and in obtaining access to State economic development assistance.

**Real Property** (*Uniform Guidance, 2 CFR 200.85*) – The term “real property” means land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery and equipment.

**Reasonableness** – The term “reasonableness” means that a cost or price is not greater than what one would expect an ordinarily competent and prudent person to charge when conducting business in a competitive environment.

**Recently Separated Veteran** - the term “recently separated veteran” means any veteran who applies for participation under WIOA within 48 months after discharge or release from active military, naval, or air service.

**Recipient** (*Uniform Guidance, 2 CFR 200.86*) - means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients. See also Sec. 200.69 Non-Federal entity.

**Recognized postsecondary credential** - The term “recognized postsecondary credential” means a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the state involved or federal government, or an associate or baccalaureate degree.

**Re-entry Client Services Specialist** - The term “Client Services Specialist” means staff that conducts or coordinates all in-custody pre-release participant case management services, training and support. Services include employment/career assessment, preparation and training through Soft Skills Employment Readiness Workshops, including, but not limited to: Effective Communication; Conflict Resolution; How to Get a Job with a Record; Marketing Yourself & Interviewing; Expectations of the Workplace; Dress for Success; Time Management; Addressing Outside Noise (Life Skills); Parenting; Substance Use & Abuse; Trauma; and Tools to Reduce Stress; and others as identified and/or approved by the County. The Specialist also works with key JBJC partners to 1) develop Participant Employment Plans that combine service delivery strategies tailored to participants’ transitional needs and employment/career goals; 2) determine participant pre-release employment readiness, based on participant barrier removal; 3) works with the County Sheriff’s Department’s Community Transition Unit in collecting key identity documents; and coordinates the work of the Re-entry Transitions Navigator for participant post-release services, coaching, mentoring, advocacy; and assistance.

**Re-entry Transitions Navigator**-The term “Re-entry Transitions Navigator” means staff that works closely with the Re-entry Client Specialist, Trainer and JBJC partners to provide intensive in-custody mentoring, coaching, support and assistance to participants transitioning from incarceration to community reintegration and ensuring participants are receiving needed and appropriate services that place them on a career path to employment. Post-release duties include working closely with County Comprehensive AJCC or AJCC staff closest to his or her home community, and partner staff to ensure successful transition into community housing, treatment, support and co-requisite services as needed for enrollment into a WIOA program.

**Re-entry Workforce Development Trainer**-The term “Re-entry Workforce

Development Trainer” means staff that will coordinate in-custody Pro-Social Habit Development training for inmates, as well as jail, JBJC, and JBJC partner staff. The Trainer will also facilitate and coordinate the facilitation of Pro-Social Habit Development Peer Support Groups both inside the jails as well as in the community for JBJC participants who have transitioned from incarceration.

**Region** (*WIOA, Section 3(53)*) – The term “region” used without further description, means a region identified under section 106(a), subject to section 107(c)(4)(B)(i) and except as provided in section 106(b)(1)(B)(ii).

**Register** (*WIOA Regulations 20 CFR 675.300*) – The term “register” means the process for collecting information, including identifying information, to determine an individual’s eligibility for services under WIOA title I. Individuals may be registered in a variety ways, as described in 20 CFR parts 678.105.

**Registration** – The term “registration” means the process by which a potential participant provides basic demographic and eligibility information to qualify for Comprehensive AJCC and AJCC services conducted during intake.

**Request For Funds** (*31 CFR 205.3 (CMIA)*) – The term “request for funds” means a solicitation for funds that is completed and submitted in accordance with Federal agency guidelines. Request for funds also means a properly and fully completed application requesting funds that is submitted by the sub-recipient in accordance with state guidelines.

**Request for Proposal (RFP)** (*Uniform Guidance, 2 CFR 200.320*) – The term “request for proposal” means the document that invites offers from service providers for the delivery of a specific type of service. It includes a description of the product(s) or service(s) desired that enable a potential contractor to submit a proposal. The RFP will include information necessary for an objective evaluation and comparison to similar proposals. The RFP is the specific term applied to a solicitation where negotiation is used. This method is the most commonly used form of solicitation when:

- a) The nature of the service needed precludes developing a specification or purchase description so precise that all proposers would have an identical understanding or approach to the requirements; and
- b) Cost is not the only factor considered in making an award.

**Request for Quotation (RFQ)** - The term “request for quotation” means a document that is used to acquire the price(s) and pertinent information needed from a vendor/supplier. Since the quotation is not a formal offer, the awarding agency must reach a bilateral negotiated agreement before a binding contract exists. A RFQ differs from an RFP in that it simply asks for a price based on standard specifications that are generally known or apply industry wide. It is appropriate to use an RFQ when:

- a) A complete, adequate and realistic specification or purchase description is available; and

- b) There are at least two responsible vendors who compete effectively for the award; and
- c) The procurement lends itself to a firm fixed-price contract and selection of a contractor based wholly on price that is appropriate and reflective of the nature of the products or service being purchased.

**Resource Sharing Agreement** (*One-Stop Comprehensive Financial Management Technical Assistance Guide*) – The term “resource sharing agreement” means Resource sharing is the methodology through which One-Stop partners will pay for, or fund, their equitable fair share of the costs for the operation of the One-Stop Center.

**Responsible Entity** – The term “responsible entity” means the entity 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.”

**Responsive Proposal** - The term “responsive proposal” is the term used for a proposal or bid that meets all requirements of the solicitation adequately; and the submitted document does not constitute a substitute or counter offer. When a bidder substitutes a “like item,” the submittal is considered non-responsive when the like item fails to meet published specifications. The same principle holds when the proposal is a substitute or counter offer.

**Resume** – The term “resume” means a document that shows a job candidate’s employment and academic qualifications, and history of employment.

**Resume Preparation** - The term “resume preparation” means a process which involves guiding the job seeker on how to create the basic document that shows a job candidate’s employment and academic qualifications, and history of employment. It is a requirement to apply for most jobs and an opportunity to show why the candidate is best suited for the job.

**Retention** – The term “retention” means the participants who have remained employed in a public or private unsubsidized position for six months and/or one year after the start date of the unsubsidized employment in the SCSEP program.

**Satisfaction Survey** - The term “satisfaction survey” means an instrument that gathers the satisfaction of participants, employers, and their Work Sites with their experiences and the services provided through Comprehensive AJCCs and AJCCs.

**School** – The term “school” means any secondary or post-secondary school.

**School dropout** – The term “school dropout” means an individual who is no longer attending any school and who has not received a secondary school diploma or its recognized equivalent. (WIOA 3[54]) Per TEGL 8-15, this term does not include individuals who dropped out of post-secondary school.

**SCSEP Performance and Results Quarterly Progress Report System (SPARQ)** - The term “SCSEP Performance and Results Quarterly Progress Report System (SPARQ)” means the system used by the Department of Labor (DOL) to process and analyze SCSEP data, and the system used to view, print, and save SCSEP quarterly progress reports, data quality reports, and management reports.

**Sealed Bid (Formal Advertising)** (*Uniform Guidance, 2 CFR 200.320(c)*) – The term “sealed bid” means the procurement method whereby bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.

**Secondary school** - The term “secondary school” means a nonprofit institutional day or resident school, including a public secondary charter school, which provides secondary education, as determined under state law, except that the term does not include any education beyond grade 12. (Title 20 CFR Part A Section 9101[38]).

**Self-directed Service (self-service)** – The term “self-directed service” means the instances when Participants serve themselves in accessing information about the programs and related activities in a physical location, Comprehensive AJCC or AJCC resource room or partner agency, or remotely via the use of electronic technologies. For more detailed information, see Appendix A-1, ADW SOW.

**Self-Management Skills** – The term “self-management skills” means the skills that give the individual the ability to be successful, such as communication skills, time management skills, leadership qualities, delegating responsibilities, motivating staff, planning and control.

**Service Area** (*WIOA Regulations 20 CFR 685.110*) – The term “service area” means the geographical jurisdiction, which may be comprised of one or more designated State or sub-State areas, in which a WIOA sec. 167 grantee is designated to operate.

**Service Level** - The term “service level” means a comparison of the total number of participants served to the projects authorized number of positions in the SCSEP program.

**Simplified Acquisition Threshold** (*Uniform Guidance, 2 CFR 200.88*) – The term “simplified acquisition threshold” means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908.

**Skill-Based Assessment** – The term “skill-based assessment” means addressing skills a Participant demonstrates on skill-specific assessments, such as reading, math, language, behavior, and adaptive skills during initial assessment.

**Skills Team (Talent Development)** – The term “skills team (talent development)” means staff that have the following duties:

- a) WIOA enrollment and IEP Development;
- b) In-depth assessment activities;
- c) Career Planning/Counseling Activities;
- d) Support Services/Barrier removal;
- e) Training activities;
- f) Product Box activities;
- g) Staff/customer/participant intensive; and
- h) Partner Referrals.

**Small Purchase Procedures** (*Uniform Guidance, 2 CFR 200.320*) – The term “small purchase procedures” means relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

**Social Enterprise** – The term “social enterprise” means an organization that applies commercial strategies to maximize improvements in human and environmental well-being—this may include maximizing social impact alongside profits for external shareholders.

**Software** (*State Directive WSD 14-13*) – The term “software” means programs, procedures, data, and routines used, accessed, and/or stored by computers.

**Soft Skills** – The term “soft skills” means the skills/abilities that enable someone to relate to others and adapt to a workplace environment and are necessary to being successful in the workplace. Soft skills are non-technical, intangible and personality-specific skills



that coupled with concrete skills or “hard skills” offered through education or vocational training produce an employable person. Soft skills may include work habits (such as punctuality, appropriate attitude and behavior, cooperation, the ability to take constructive criticism), integrity, interpersonal skills, problem-solving, multitasking, making good and informed decisions, communicating with others, positive job attitude or managing oneself in the workplace, showing initiative and reliability, etc.

**Solicitation** - The term “solicitation” means the practice of distributing an Invitation for Bid, Request for Proposal, or any other document, such as a Request for Quotation, issued by a purchasing agency for the purpose of soliciting offers to perform a contract.

**Staff-Assisted Services** – The term “staff-assisted services” means services where Participants are served by staff of Comprehensive AJCC/AJCC or partner agency in significant one-on-one services, examples of such includes Initial assessment and Career Counseling.

**State** (*Uniform Guidance, 2 CFR 200.90*) - means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any agency or instrumentality thereof exclusive of local governments.

**State Board** (*WIOA Regulations 20 CFR 675.300*) – The term “state board” means a State Workforce Development Board established under WIOA sec. 101.

**State Plan** (*WIOA, Section 3(58)*) – The term “state plan” used without further description, means a unified State plan under section 102 or a combined State plan under section 103.

**Subaward**: The written and legally binding agreement that is executed between County and Subrecipient. It sets forth the terms and conditions for the issuance and performance of the Statement of Work.

**Subcontract (“Lower Tier Subaward”)**: The written and legally binding agreement that is executed between Subrecipient and a third-party vendor (where the vendor is a third-party to this Subaward). It sets forth the terms and conditions for the issuance and performance of any element of the Statement of Work. Such agreement shall be pre-approved by County prior to its execution between the parties.

**Subcontractor (“Lower Tier Subrecipient”)**: A third-party vendor who is properly procured by Subrecipient for the purpose of completing the Work/providing Services in accordance with this Subaward.

**Subrecipient**: The sole proprietor, partnership, corporation, non-profit organization or public/government entity that has entered into this Contract Subaward with County to perform and execute the Work and Services covered by Exhibit A (Statement of Work).

**Subsidized Employment** – The term “subsidized employment” means employment created in the public sector, as well as employment in private-for-profit organizations, which is partially financed by the Comprehensive AJCC or AJCC. Subsidized employment includes work experience training such as on-the-job-training and customized training.

**Supplies** (*Uniform Guidance, 2 CFR 200.94*) – The term “supplies” means all tangible personal property other than those described in Sec. 200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. See also Sec. Sec. 200.20 Computing devices and 200.33 Equipment.

**Supportive Services** - The term “supportive services” means services such as transportation, child care, dependent care, housing, and needs-related payments that are necessary to enable an individual to participate in activities authorized under WIOA or Title V. Also, any service provided to assist a participant in obtaining and retaining unsubsidized employment, i.e., uniforms, protective eyewear, interview clothing, housing, etc. Incentives are a form of “supportive service” but are only allowed for WIOA youth programs, Incentive are provided for recognition and achievement directly tied to training activities and work experiences. The local agencies must have written policies and procedures in place governing the awarding of incentives and must ensure that such incentive payments are:

- a) Tied to the goals of the specific program;
- b) Outlined in writing before the commencement of the program that may provide incentive payments;
- c) Align with the local program’s organizational policies; and
- d) Accord with the requirements contained in 2 CFR 200.

**Sustained Fiscal Integrity** (*WIOA, Section 106(e)(2)*) – The term “sustained fiscal integrity” used with respect to a local area, means that the Secretary has not made a formal determination, during either of the last 2 consecutive years preceding the determination regarding such integrity, that either the grant recipient or the administrative entity of the area misexpended funds provided under subtitle B (or, if applicable, title I of the Workforce Investment Act of 1998 as in effect prior to the effective date of such subtitle B) due to willful disregard of the requirements of the provision involved, gross negligence, or failure to comply with accepted standards of administration.

## T

**Technical Assistance** (*WIOA, 20 CFR 685.110*) – The term “technical assistance” means the guidance provided to grantees and grantee staff by the Department to improve the quality of the program and the delivery of program services to eligible MSFWs.

**Termination** (*Uniform Guidance, 2 CFR 200.95*) - The term “termination” means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

**Third-Party In-Kind Contributions** (*Uniform Guidance, 2 CFR 200.96*) – The term “third-party in-kind contributions” means the value of non-cash contributions (i.e., property or services) that--

- (a) Benefit a federally assisted project or program; and
- (b) Are contributed by non-Federal third parties, without charge, to a non-Federal entity under a Federal award.

**Ticket to Work Program** – The term “Ticket to Work program” means a voluntary program that offers SSDI and SSI beneficiaries with disabilities a variety of choices in obtaining the support and services they need to help them go to work and achieve their employment goals. If you are eligible and would like to work or increase your current earnings, this program can help you get vocational rehabilitation, training, job referrals, and other ongoing support and services to help you do so.

**Title V -Senior Community Service Employment Program (SCSEP)** – The term “Title V -Senior Community Service Employment Program (SCSEP)” means a program that serves unemployed low-income persons who are 55 years of age and older and who have poor employment prospects by training them in part-time community service assignments and by assisting them in developing skills and experience to facilitate their transition to unsubsidized employment.

**Trade Adjustment Assistance (TAA)** – The term “Trade Adjustment Assistance” means a program that provides service and allowances for achieving reemployment of adversely affected workers, including TRA, training, and other re-employment services, and job search allowance and relocation allowances.

**Training services** – The term “training services” means services under the WIOA Adult, Dislocated Worker, Youth, and Veterans’ programs that include, but are not limited to, services such as occupational skills training, apprenticeship training, on-the-job training, and other training services. Under WIOA, training services may be provided if the SWA or one-stop center staff determine, after an interview, evaluation or assessment, and career planning, that the individual:

- a) Is unlikely or unable to obtain or retain employment, that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services alone;
- b) Is in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment, through career services alone; and
- c) Has the skills and qualifications to successfully participate in the selected program of training services.

Training services, when determined appropriate, must be provided either through an Individual Training Account (ITA) or through a training contract discussed in Section 10 of this TEG. Training services must be linked to in-demand employment opportunities in the local area or planning region or in a geographic area in which the adult or dislocated

worker is willing to commute or relocate. The selection of training services should be conducted in a manner that maximizes customer choice, is linked to in-demand occupations, informed by the performance of relevant training providers, and coordinated to the extent possible with other sources of assistance.

**Train-the-Trainer** – The term “Train-the-Trainer” means an education model whereby individuals identified to teach, mentor or train others attend training themselves. Some may already be educators or trainers and are supplementing or reinforcing their skills, while others are receiving training for the first time.

**Trauma-Informed** – The term “Trauma-Informed” means a program, organization or system that that realizes the widespread impact of trauma and understands potential paths for recovery; recognizes the signs and symptoms of trauma in clients, families, staff and others involved with the system; and responds by fully integrating knowledge about trauma into policies, procedures, and practices and seeks to actively resist re-traumatization {Substance Abuse & Mental Health Services Administration. *SAMHSA’s Concept of Trauma and Guidance for a Trauma-Informed Approach*. HHS Publication No. (SMA) 14-4884. Rockville, MD: Substance Abuse & Mental Health Services Administration, 2014.}

## U

**Under-Represented Groups** – The term “under-represented groups” means populations that have been historically underrepresented in organizations. Includes but is not limited to women, ethnic minorities, and people with disabilities.

**Unemployed** – The term “unemployed” means an individual who is without a job and who wants and is available for work, including an individual who may have occasional employment that does not result in a constant source of income.

**Unemployment Compensation Benefits** - The term “unemployment compensation benefits” means benefits paid by Unemployment Insurance (UI) program to workers who have lost their job and meet the program’s eligibility requirements. If you have become unemployed, you may file a UI claim. You may be eligible for UI benefits if you meet all eligibility requirements.

**Unilateral Modification** – The term “unilateral modification” means a modification made and signed solely by the contracting agency without consideration to the service provider/vendor.

**Unilateral Right** – the term “unilateral right” means a legal action that may be taken by the contracting agency without consideration to the service provider/vendor.

**Unit Of General Local Government** (*WIOA, Section 3(62)*) – The term “unit of general local government” means any general purpose political subdivision of a State that has the power to levy taxes and spend funds, as well as general corporate and police powers.

**Unliquidated Obligations** (*Uniform Guidance, 2 CFR 200.97*) – The term “unliquidated obligations” means, for financial reports prepared on a cash basis, obligations incurred by the non-Federal entity that have not been paid (liquidated). For reports prepared on an accrual expenditure basis, these are obligations incurred by the non-Federal entity for which an expenditure has not been recorded.

**Unobligated Balance** (*Uniform Guidance, 2 CFR 200.98*) – The term “unobligated balance” means the amount of funds under a Federal award that the non-Federal entity has not obligated. The amount is computed by subtracting the cumulative amount of the non-Federal entity's unliquidated obligations and expenditures of funds under the Federal award from the cumulative amount of the funds that the Federal awarding agency or pass-through entity authorized the non-Federal entity to obligate.

**Unsubsidized Employment** – The term “unsubsidized employment” means a job for which wages are paid directly by the employer and that is not subsidized through any government program.

## V

**Vendor** (*Uniform Guidance, 2 CFR 200.23*) – The term “vendor” means another term used for contractor. 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

**Veteran** - The term “veteran” means an individual who has served at least one day in the active military, naval, or air service, and who was discharged or released from service under any condition other than a condition classified as dishonorable.

**Vocational rehabilitation services** - The term “vocational rehabilitation services” assist eligible persons with a disability pursue post-secondary education, employment, and independent living. Services could include counseling, medical and psychological services, job training, and other services, based on the needs of the individual.

## W

**Wagner-Peyser Act** (*WIOA Regulations 20 CFR 675.300*) – The term “Wagner-Peyser Act” means the Act of June 6, 1933, as amended, codified at 29 U.S.C. 49 et seq.

**Web-Based Data Collection System (WDCS)** – The term “Web-Based Data Collection System (WDCS)” means the Department of Labor web-based data collection system used to input all Title V SCSEP program and Participant information into SCSEP Performance and Results QPR System (SPARQ).

**Welcome Team (Front Desk)** – The term “Welcome Team (Front Desk)” means staff that have the following duties:

- a) Identify needs of customer/participant;
- b) Route to correct staff person, partner, product box activity;
- c) Initial assessment with customer/participant;
- d) Cal Jobs registration;
- e) Universal Services – Product Box activities;
- f) Orientation and WIOA eligibility;
- g) Partner Referrals.

**Work-Based Learning Experience** – The term “work-based learning experience” means an approach to offering a wide range of work-based learning activities, such as apprenticeships, internships and work experiences to appropriate participants and a detailed strategy for how employers will be engaged to partner in such activities.

**Work Experience** – The term “work experience” means a short-term and/or part-time work assignment with an employer or private non-profit or public agency that is subsidized or unsubsidized and which provides an individual with the opportunity to acquire the skills and knowledge necessary to perform a job, including appropriate work habits and behaviors, and is combined with classroom or other training. Paid and unpaid work experiences shall have academic and occupational education as a component of the work experience, which may include the following types of work experiences:

- a) Summer employment opportunities and other employment opportunities available throughout the school year;
- b) Pre-apprenticeship programs;
- c) Internships and job shadowing;
- d) On-the-job training opportunities.

**Work Readiness Skills** – Under the Youth@Work program, the term “work readiness skills” means 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.

**Work Site** - The term “work site” means a public agency or private non-profit organization which provides a training work site and supervision for one or more participants while participant(s) are enrolled in SCSEP or Youth@Work Program.

**Worker Adjustment and Retraining Notification (WARN)** – Under the Rapid Response Program, the term “worker adjustment and retraining notification (WARN)” means a notice which provides protection to employees, their families and communities by requiring employers with 75 employees or more to give affected employees and other state and local representatives notice 60 days in advance of a plant closing or mass layoff of 50 employees or more.

**Workforce Development Activity** (*WIOA, Section 3(65)*) – The term “workforce development activity” means an activity carried out through a workforce development program.

**Workforce Development Program** (*WIOA, Section 3(66)*) – The term “workforce development program” means a program made available through a workforce development system.

**Workforce Development System** (*WIOA, Section 3(67)*) – The term “workforce development system” means a system that makes available the core programs, the other one-stop partner programs, and any other programs providing employment and training services as identified by a State board or local board.

**Workforce Intelligence** – The term “workforce intelligence” means gathering local and regional workforce information to identify the occupations and or industries that will provide the best opportunities for long term employment.

**Workforce Investment Activities** (*WIOA Regulations 20 CFR 675.300*) – The term “workforce investment activities” means the array of activities permitted under title I of WIOA, which include employment and training activities for adults and dislocated workers, as described in WIOA sec. 134, and youth activities, as described in WIOA sec. 129.

**Workforce Preparation Activities** (*WIOA, Section 203(17)*) – The term “workforce preparation activities” means activities, programs, or services designed to help an individual acquire a combination of basic academic skills, critical thinking skills, digital literacy skills, and self-management skills, including competencies in utilizing resources, using information, working with others, understanding systems, and obtaining skills necessary for successful transition into and completion of postsecondary education or training, or employment.

**Workforce Region** – The term “workforce region” means as follows: County has adopted an economic development model for regional planning that is comprised of eight (8)

workforce regions that encompass the Greater Los Angeles County. This allows for more specific analysis, design and implementation of relevant services. The eight workforce regions are, Antelope Valley, Central Los Angeles, Gateway Cities, San Fernando Valley, San Gabriel Valley, Santa Clarita Valley, South Bay, and the Westside Region. As such, the term “workforce region” means any one of the eight workforce regions described above.

**Workforce Sub-Region** – The term “workforce sub-region” means as follows: County is responsible for workforce services across fifty-eight (58) cities and all the unincorporated areas of the Greater Los Angeles County, known as County’s Local Workforce Development Area (LWDA). In order to effectively plan for AJCC locations to have in-reach across County’s entire LWDA Workforce Regions, these regions are further divided into ten (10) Workforce Sub-Regions. Workforce sub-regions are designated areas assigned to each Comprehensive AJCC or AJCC for which Contractor is responsible for coordination of partners and services throughout it cities and unincorporated areas within. As such, the term “workforce sub-region” means any one of the ten workforce regions described above.

**Workforce Transition Committee** – The term “workforce transition committee” means the provision of guidance and/or financial assistance in establishing a labor-management committee voluntarily agreed to by labor and management, or a committee comprised of representatives of the employer, the affected workers and the local community

**Working Capital Advance** (2 CFR 200.305(b)(4)) – The term “working capital advance” means a procedure whereby funds are advanced to the recipient to cover its estimated disbursement needs generally geared to the non-Federal entity's disbursing cycle. Thereafter, the Federal awarding agency or pass-through entity must reimburse the non-Federal entity for its actual cash disbursements

**Workplace Learning Advisor** - The term “workplace learning advisor” means an individual employed by an organization who has the knowledge and skills necessary to advise other employees of that organization about the education, skill development, job training, career counseling services, and credentials, including services provided through the workforce development system, required to progress toward career goals of such employees in order to meet employer requirements related to job openings and career advancements that support economic self-sufficiency.

**World-of-Work Concepts** – The term “world-of-work concepts” means important work experience related concepts such as punctuality, appearance, workplace attitudes and behaviors which are offered through job readiness training from classroom lectures and role play.

**Wrap-Around Services** – The term “wrap-around services” means the inclusion of services such as housing, medical care, substance abuse, peer navigation, job coaching, case management, and transportation assistance offered through Partner programs.



**Youth** – The term “youth” means any young person, between the age of 14 and 24 years of age, who are either in-school or out-of-school.

**YouthBuild** - The term “YouthBuild” means a workforce development program that provides employment, education, leadership development, and training opportunities to disadvantaged and low-income youth between the ages of 16 and 24, most of whom are secondary school drop outs and are either a member of a low income family, a foster care youth, a youth who is homeless, an offender, a youth with a disability, a child of an incarcerated parent, or a migrant youth. Program participants receive education services that may lead to either a high school diploma or its State recognized equivalent. Further, they receive occupational skills training and are encouraged to pursue postsecondary education or additional training, including registered apprenticeship and pre-apprenticeship programs.

**EXHIBIT Q**  
**(ACCOUNTING, ADMINISTRATION AND REPORTING REQUIREMENTS)**

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

The accounting, financial reporting and internal control standards described in this Exhibit Q 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 Q represents the minimum required procedures and controls that must be incorporated into Subrecipient's accounting and financial reporting systems. Subrecipient certifies that throughout the entirety of this Subaward, it shall maintain the required level of staffing as outlined in this Subaward. Therefore the internal control standards described herein are those that apply to Subrecipient's organization and Subrecipient shall comply with the intent of these standards and implement internal control systems in its performance of the Work hereunder. Subrecipient's subcontractors must also follow these standards unless otherwise stated in this Subaward.

**A. ACCOUNTING AND FINANCIAL REPORTING**

**1.0 Basis of Accounting**

Subrecipient shall maintain written financial and accounting procedures which incorporate Generally Accepted Accounting Principles and Subrecipient shall adhere to the requirements set forth therein. Subrecipient may elect to use either the accrual basis or cash basis of accounting during the Fiscal Year 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 Subrecipient 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 for recording financial transactions, 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:

- Recorded accruals must be reversed in the subsequent accounting period.

1.2 If Subrecipient 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 the 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 Subaward Fiscal Year to the extent goods and Services are received or are applicable to that Fiscal Year.

2.0 Accounting System

Subrecipient 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. Subrecipient shall also maintain a Payroll Register. Postings to the General Ledger and Journals shall be made at least on a monthly basis. Subrecipient shall maintain a separate Cost Center(s), which clearly identifies funds received and expended on Services provided.

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.

<u>Example:</u>	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 cost columns are required for salary expense and other recurring cost classifications for each Program.

Note (2) Entries in the description column must specify the nature of the cost and the corresponding cost 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 cost classifications and description information required when a Cash Disbursements Journal is used.

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

#### 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 the expenses and revenues of each of Subrecipient's programs (both County and non-County programs).

#### 2.5 Chart of Accounts

A Chart of Accounts shall be maintained:

- County recommends that Subrecipient use the expense account titles on the monthly invoice submitted to County.
- If Subrecipient 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.
- Subrecipient 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 (at a minimum last four digits of the SSN)
- 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 discussed above must be recorded in the Cash Disbursements Journal.

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

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

## 2.7 Subrecipient Invoices

Subrecipient shall present an invoice to County each calendar month to report the prior month's financial activity of the Program. In addition, if advanced funding is involved, an invoice shall be presented at the beginning of the Fiscal Year. An invoice shall be provided to County as required in this Subaward. At the discretion of County, Subrecipient will be required to submit all invoices and supporting documentation through County's Contract Management System - Contractor's Gateway or any other electronic System to be determined by County.

## 3.0 Records

Adequate care shall be exercised to safeguard the accounting records and supporting documentation. Any destruction or theft of Subrecipient's accounting records or supporting documentation shall be immediately reported to County pursuant to the requirements outlined in Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies), Section III.C (Loss, Destruction or Theft of Assets). Subrecipient shall report, to the local law enforcement agency having jurisdiction, any act(s), which may reasonably be thought to constitute a crime, and/or which appear to have resulted in the destruction, damage or alteration of any record subject to the provisions of this Exhibit Q. Subrecipient shall prepare a report and submit it to the local law enforcement agency within twenty-four hours after becoming aware of the acts which have resulted in the destruction, damage, or alteration of the record.

A copy of the resulting crime/incident report must be retained by Subrecipient for a period of time under which the underlying records were destroyed, or damaged were required to be retained plus an additional four (4) years, and shall be retained for a longer period in the case of unresolved litigation or audit.

To the extent that automated accounting records contain confidential information including but not limited to the names and addresses of individuals, Social Security Numbers, etc., the computer files containing this information must be adequately encrypted using the most current

encryption standards to prevent unauthorized access and use. If the allowability of expenditures cannot be determined because Subrecipient's records or documentation are non-existent or inadequate according to Generally Accepted Accounting Principles set forth in Title 45 Code of Federal Regulations Part 75.302, 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, Inspection and Audit Settlement) of this Subaward.

### 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, canceled checks, and other documentation, including electronic documentation clearly establishing the nature of the expenditure and its relevance to for the Program shall be required to support an outlay of Subaward Sums. Unsupported disbursements will be disallowed upon audit. Subrecipient will be required to repay County for all dollar for dollar disallowed costs. **Photocopied (including scanned images) of invoices or receipts, any internally generated documents (e.g., vouchers, request for check forms, requisitions, canceled checks, etc.), and account statements do not constitute supporting documentation for purchases. To the extent that the source for electronic documentation is an original hardcopy document (e.g., PDF scans of original vendor invoices) Subrecipient shall retain the original source document for inspection by County. County at its sole discretion may accept photocopies of supporting documentation in preference to the original documents.**

Supporting documentation is required for various types of expenditures. Subrecipients shall provide acceptable supporting documentation for all expenditures, and, with regard to the following categories of expenditures, acceptable supporting documentation shall consist solely of the documentation listed for each expenditure type. Another form of documentation may be used, in lieu of the listed types of acceptable supporting documentation, provided Subrecipient obtains prior written approval of County to use a specific type of alternative documentation.

**Payroll** – timecards 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. Personnel records shall also be maintained documenting employee pay rates. Personnel records shall also contain documentation confirming that educational and practical experience requirements of an employee's position have been met. Where licensure is a requirement of an employee's position, Subrecipient's personnel file shall contain proof that employees have the required licenses/certifications.

**Consultant Services** – Subawards (detailing the nature and scope of services to be provided), 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. Subrecipient shall also maintain copies of all completed federal form 1099s, establishing that all payments to all consultants were reported in a timely fashion to federal and State taxing agencies.

**Travel** – prior, written approval from County's Contract Manager for travel expenses related to providing Services under this Subaward; written travel policies of Subrecipient; 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 beginning and ending odometer readings and the resulting mileage. Vehicle mileage logs must clearly identify business versus non-business, or personal travel. For travel related to conferences, Subrecipient shall at a minimum retain conference literature, including but not necessarily limited to, agendas and handouts detailing the purpose of the conference, as part of Subrecipient's documentation of the propriety of the travel expenditure, and its applicability to the Work performed by Subrecipient 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. Maximum reimbursable lodging amount is County's maximum reimbursement rate for employees for a single occupancy hotel accommodation. Receipts shall also be required for airfare, car rentals, ground transportation and parking.



**Operating Expenses** (e.g., utilities, office supplies, equipment rentals, etc.) – bona fide subawards 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, Subrecipient shall maintain vouchers, purchase orders, requisitions, stock received reports, bills of lading, etc. Subrecipient shall also maintain documentation acknowledging the receipt of the specific goods and services for the expenditure (e.g., stock received reports, packing slip signed by the receiving employee, etc.). For internal control purposes, Subrecipient may also maintain vouchers, purchase orders, requisitions, etc.

**Vehicle Expenses** – A vehicle mileage log must be maintained which established the extent to which company owned vehicles are used for business, versus non-business purposes. For all business related trips, the log shall identify trip dates, the origin and destination of the trip along with beginning and ending odometer readings and the resulting mileage. For other vehicle expenses such as gasoline and maintenance, invoices/receipts must be maintained which reflect the vehicle license number, or vehicle identification number of the vehicle being serviced or fueled. The record maintenance requirements for company-owned vehicles, also applies to personal vehicles used for business purposes.

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

**Loans from Employees/Related Parties** – Loans to Subrecipient by employees and/or related parties shall be supported by a written loan agreement and records documenting that the lent funds were deposited into Subrecipient bank account. Subrecipient shall also maintain documentation showing that the loan proceeds were actually used for the Program. To the extent that the loan agreement provides for the payment of interest, the interest may not be an allowable expense under this Subaward. If the payment of interest is allowable, interest shall not be accrued at a rate which exceeds the most current available County Treasury Rate plus one percent.

### 3.3 Payments to Affiliated Organizations or Persons

Prior to making payments to affiliated organizations or persons (i.e., related party transactions), Subrecipient shall complete a disclosure statement identifying the nature of the affiliated, or related organization/ persons. Subrecipient shall not make payments to affiliated organizations or persons for Program expenses (e.g., salaries, services, rent, etc.) that exceed the lesser 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 Subrecipient or its members by blood, marriage, or through a legal organization (corporation, partnership, association, etc.) will be considered affiliated for purposes of this Subaward. County shall be solely responsible for determining affiliation unless otherwise allowed and approved by the State or Federal agencies.

Payments to affiliated organizations or persons will be disallowed upon audit to the extent the payments exceed the lower of actual costs or the reasonable costs (fair market value) 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 **Subrecipient's** books shall be appropriately cross-referenced to supporting documentation. It is recommended that expenditure transactions on Subrecipient'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 Subaward must be utilized on allowable Subaward expenditures. Similarly, income from investments (e.g., interest or dividends), where the source of the amount invested is County program funds, shall be deemed

restricted revenue that must be utilized on allowable expenditures, or returned to County.

## 5.0 Audits

For routine audits and inspections, Subrecipient will make available 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 Subaward and for the authorized retention period outlined in Paragraph 8.38 (Record Retention, Inspection and Audit Settlement) of this Subaward, all of its books and records, including but not limited to those which relate to its 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.

In general, audits will normally be performed during normal business hours, Monday through Friday. However, County retains the right to inspect and conduct investigations of Subrecipient's fiscal operations and subaward compliance at any time, without prior notice to Subrecipient seven days a week, when County has information which it, in its sole discretion, deems justifies such an unannounced visit, inspection, audit or investigations.

## B. INTERNAL CONTROLS

Internal controls safeguard Subrecipient's assets from misappropriations, misstatements or misuse. Subrecipient shall prepare necessary written procedures establishing internal controls for its staff. Subrecipient 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 Subaward Sums shall be maintained in a bank account. Subaward Sums shall be used exclusively for Services funded under this Subaward and shall not be commingled with any other monies of Subrecipient. 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

When collections are received by mail, two employees should be assigned to open the mail and list all collections received on a check remittance log.

All checks shall be restrictively endorsed upon receipt. Cash received shall be recorded on pre-numbered receipts and the receipts/check remittance log shall be reconciled to the amount being deposited.

Voided receipts shall be retained and the sequences of receipts issued/voided shall be periodically accounted for.

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. If Subrecipient can establish that a larger limit is warranted, Subrecipient may request authorization from County to increase the limit to an amount greater than \$500.

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). Subrecipient shall retain photocopies of County warrants reflected on each deposit slip, or record the individual warrant numbers onto the deposit slip.

## 1.3 Separation of Duties

An employee who does not handle cash shall record all cash or check receipts in Subrecipient's accounting records.

## 1.4 Bank Reconciliations

Bank statements should be received and reconciled by someone with no cash handling, or check writing responsibilities.

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 and dated by both the preparer and the reviewer. Reconciling items should be resolved timely.

## 2.0 Disbursements

### 2.1 General

All disbursements (other than those made for petty cash, purchases) shall be made using Subrecipient's check, electronic funds transfer, or debit/credit card.

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

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

A second signature is recommended on all checks over \$500, unless otherwise authorized by County in writing. In instances where the payee is also a signor on the check, the disbursement shall be reviewed and approved by a higher level employee, or Board member who shall also sign the check.

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 duplicate payments or reuse.

Disbursements without adequate supporting documentation will be disallowed upon audit.

## 2.2 Approvals and Separation of Duties

Employees responsible for approving cash disbursements and/or signing 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 Subrecipient (e.g., postage due, small purchases of office supply items, etc.). Subrecipient 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 original 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, fee, etc., then some written documentation shall be maintained and approved by a supervisory employee not associated with the transaction. 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 Subrecipient issued credit cards and an employee's personal credit card used on behalf of Subrecipient, should be limited to purchases where established purchasing and disbursement practices are not suitable.

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

Credit card purchases should be pre-approved by Subrecipient 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 the employee making the purchase, and the justification for 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 Subrecipient's programs. Time estimates do not qualify as support for payroll expenditures and will be disallowed upon 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. To the extent Subrecipient utilizes electronic timecards and time reports, Subrecipient must ensure that both the employee and supervisor certify time reported using electronic signatures. Where electronic timecards and

time reports are used, Subrecipient's reporting system must be able to electronically record the date/time the timecard was prepared/reviewed. Subrecipient's electronic time reporting system must also have sufficient controls to prevent unauthorized alteration/changes to electronic time records and reports.

### 3.2 Personnel and Payroll Records

Adequate security must be maintained over personnel and payroll records with access restricted to authorized individuals. Any automated personnel and payroll records which contain confidential information such as employee addresses, medical condition information, etc. should be adequately encrypted to prevent unauthorized access and use using the latest encryption standards. Subrecipient 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 shall include, but are not limited to, the following:

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

### 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

Subrecipient shall not pay any salaries which are higher than those authorized in this Subaward, or the Exhibits thereto, including this Exhibit Q.

When this Subaward is for **Workforce Innovation and Opportunity Act Program Services**, Subrecipient shall adhere to Public Law 109-234, as provided by the Employment Development Department (EDD) through its issuance of a directive. Subrecipient 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](http://www.edd.ca.gov/jobs_and_training/Active_Directives.htm)

For purposes of establishing a reasonable level of compensation for Subrecipient'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 subaward or program, time charged to the subawards or programs taken as a whole may not exceed 100% of the employee's actual time worked.

Salaried employees shall be paid a salary that corresponds with the employee's work schedule. For example, a ½-time salaried employee performing the same or similar work should be paid proportionately less than a full-time salaried employee.

The salary expense of salaried employees working on more than one (1) subaward 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.

Subrecipient shall not make retroactive salary adjustments 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 transaction, or reconciling bank accounts.

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

### 4.0 Bonding – All officers, employees, and subrecipients who handle cash or have access to Subrecipient's funds (e.g., prepare checks, etc.) shall be bonded pursuant to Paragraph 8.25 (Insurance Coverage) of this Subaward.

## C. COST PRINCIPLES

### 1.0 Policy

It is the intent of County to provide funds to Subrecipient for the purpose of



providing Services required by this Subaward. Subrecipient shall use these Subaward Sums on actual expenses in an economical and efficient manner and shall ensure that these expenditures are reasonable, proper, and necessary costs of providing Services and are allowable in accordance with Title 45 Code of Federal Regulations Part 75 et al.

- 1.1 Subrecipient is responsible for obtaining Title 45 Code of Federal Regulations Part 75 et al., which is available on-line at <http://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75>

- 1.2 Limitations on Expenditures of Subaward Sums

Subrecipient shall comply with this Subaward and Title 45 Code of Federal Regulations Part 75 et al. The Title 45 Code of Federal Regulations Part 75 et al. defines 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 Subrecipient is unsure of the allowability of any particular type of cost or individual cost, Subrecipient 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 Subaward, Exhibit A (Statement of Work), this Exhibit Q, and Title 45 Code of Federal Regulations Part 75 et al., shall be resolved by giving precedence as follows:

- Title 45 Code of Federal Regulations Part 75 et al.
- Subaward
- Exhibit A (Statement of Work)
- Exhibit Q (Accounting, Administration and Reporting Requirements)

- 1.3 Expenses Incurred Outside the Subaward Period

Expenses charged against Subaward Sums may not be incurred prior to the effective date of this Subaward, or subsequent to this Subaward's expiration or termination date. Similarly, current period expenses related to events or activities that occurred prior to the effective date of the Subaward may not be allowable. For example, legal costs incurred prosecuting or defending a lawsuit stemming from events which occurred during a period not covered by a valid Subaward between Subrecipient and County are not allowable. Expenses charged against Subaward Sums during any Fiscal Year period may not be incurred outside of that Fiscal Year period.

1.4 Budget Limitation

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

1.5 Unspent Funds

Subrecipient shall return any unspent Subaward Sums to County unless otherwise permitted by this Subaward. In addition, County will determine the disposition of unspent Subaward Sums upon expiration or termination of this Subaward and at the end of each Fiscal Year period.

1.6 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 Allocable Expenses

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

In accordance with Title 45 Code of Federal Regulations Part 75 et al., Subrecipient shall define its allocable expenses 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.

Subrecipient shall maintain documentation or allocated expenses (e.g., timecards, time summaries, square footage measurements, number of employees, etc.).

Under no circumstances shall allocated expenses be charged to an extent greater than 100% of actual expenses or the same expense be charged both directly and indirectly.

2.1 Direct Costs

Unless otherwise set forth in this Subaward, or required by the funding source(s), direct costs are defined as those costs that can be identified specifically with a particular final cost objective (i.e., a particular program, service, or other direct activity of Subrecipient'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 the employees' timecards and the payroll expenses 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 relevant and equitable methods of allocation

## 2.2 Indirect Costs

Indirect costs are those 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 salaries, employee benefits, supplies, and other costs related to general administration of Subrecipient'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 significant one-time expenses, or Lower Tier Subrecipient payments)

## 2.3 Acceptable Indirect Cost Allocation Methods

Title 45 Code of Federal Regulations Part 75 et al. describes 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 Subrecipient'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 Subrecipient'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 rentals, 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 Subrecipient'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

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

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

#### D. UNALLOWABLE COSTS

Title 45 Code of Federal Regulations Part 75.421 et seq. addresses 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 (e.g., including but not limited to NSF Check Fees, Traffic Citation Fees)
- Lobbying and fundraising activities
- Interest expense (unless expressly allowed by Federal guidelines)
- Losses on other awards
- Capital expenditures
- Advertising and public relations
- Entertainment/alcoholic beverages

Additionally, Subrecipient shall not use Subaward Sums to repay disallowed costs.

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

1.0 Subrecipient shall report suspected fraud (including welfare fraud), abuse, waste, or misuse of public monies, and misconduct of County personnel to the Los Angeles County Fraud Hotline. Subrecipient shall also report suspected fraud, abuse, waste, or misuse of public monies, and misconduct committed by its employees, volunteers, and any Lower Tier Subrecipients when that fraud affects its Subaward 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 Subrecipient'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 Subaward 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](http://www.lacountyfraud.org)  
E-Mail Address: [Hotline@auditor.lacounty.gov](mailto: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 Subrecipient's non-compliance with the requirements of this Subaward. Areas of Subrecipient's non-compliance include, but is not limited to, the following:

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

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

**EXHIBIT R  
(JOINT FUNDING REVENUE DISCLOSURE)**

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

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

\_\_\_\_\_  
Subrecipient's Name

\_\_\_\_\_  
Subaward Number

\_\_\_\_\_  
Name of Preparer (Print)

\_\_\_\_\_  
Date Prepared





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

I. GOVERNING REGULATIONS AND POLICIES

- A. If this Subaward indicates that Subrecipient may purchase Fixed Assets, Non-Fixed Assets and Supplies using Subaward Sums, pursuant to Paragraph 9.5 (Fixed Assets, Non-Fixed Assets and Supplies), Subrecipient shall adhere to all Federal, State and County purchasing and fiscal policies, procedures and requirements. Regardless of the source of the Subaward Sums (i.e., Federal, State or County/local monies), Subrecipient 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 S
  - 2.0 Administrative requirements, procurement standards and cost principles outlined in Title 45 Code of Federal Regulations Part 75 et al.
  - 3.0 Additional requirements which may be communicated to Subrecipient through County memorandum, directives, Change Notices, Subaward Amendments, etc.
- B. Throughout this Exhibit S, references will be made to Title 45 Code of Federal Regulations Part 75 et al. These references shall mean that Subrecipient shall follow Title 45 Code of Federal Regulations Part 75 et al. that apply to Subrecipient based on the type of Program being funded through this Subaward (e.g., Area Agency on Aging Programs, Workforce Innovation and Opportunity Act Programs, etc.) and the type of entity that best describes Subrecipient's organization (e.g., non-profit, local government, educational institution, etc.).
- 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, Subrecipient shall exercise the same due diligence and care required for the purchase, inventory and disposal of Fixed Assets and Non-Fixed Assets when Subrecipient uses Subaward Sums to purchase Supplies.

- D. In the event of any conflict or inconsistency between the requirements established in this Exhibit S and any of the governing Title 45 Code of Federal Regulations Part 75 et al., the conflict shall be resolved by giving precedence to the governing Title 45 Code of Federal Regulations Part 75 et al.

## 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 Subrecipient's business under this Subaward.

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 Subrecipient's business in the performance of the Work required under this Subaward. Such asset must provide a direct benefit to the Program and Services.
- 1.5 Is either purchased with Subaward Sums and/or was acquired by Subrecipient under a Predecessor Agreement(s) for the same/similar purpose as this Subaward. Such purchases must be allowable and allocable under the requirements of this Subaward. For purposes of this Subaward, a Predecessor Agreement(s) shall mean a subaward between County and Subrecipient that was executed prior to this Subaward for the same/similar Program Services as this Subaward, and such subaward has expired or terminated.
- 1.6 Must be ordered or purchased prior to the last three months of the Subaward Term, unless the acquisition is pre-approved by County.

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 Has a normal useful life of over one (1) year.

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

1.5 Is either purchased with Subaward Sums and/or was acquired by Subrecipient under a Predecessor Agreement(s). Such purchases must be allowable and allocable under the requirements of this Subaward.

#### C. Usage of the Term "Assets"

1.0 Throughout the entirety of this Exhibit S, 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 Innovation and Opportunity Act (WIOA) 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 Subrecipient to effectively and efficiently carry out the objectives, tasks and activities of the Program and provide Services hereunder.
- 1.4 Are either purchased with Subaward Sums and/or were acquired by Subrecipient 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, Subrecipient 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, Subrecipient 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 Subaward, Subrecipient is responsible for the replacement or repair of Assets until Subrecipient 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 Subrecipient shall not use Assets or Supplies for personal gain or to usurp the competitive advantage of a privately-owned business entity.
  - 4.0 Subrecipient shall use Assets and Supplies for the purpose for which they are intended under this Subaward. When no longer needed for that purpose, Subrecipient shall treat them as prescribed in Section X (Disposal Requirements for Assets and Supplies), herein.

5.0 Subrecipient 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 Subaward for that use.

C. Loss, Destruction or Theft of Assets

1.0 Subrecipient shall promptly investigate, fully document and report the loss, destruction or theft of Assets. Subrecipient shall report such loss, destruction or theft as follows:

1.1 Subrecipient 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 Subrecipient 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. Subrecipient 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, Subrecipient'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 Subrecipient shall retain the Incident Report pursuant to the record retention requirements outlined in Paragraph 8.38 (Record Retention, Inspection and Audit Settlement) of this Subaward.

2.0 Subrecipient agrees to indemnify County for any loss resulting from the use of any Assets.



IV. DEPRECIATION, USE ALLOWANCE AND CAPITALIZATION POLICY FOR ASSETS

- A. Any Asset purchased with the Federal portion of Subaward Sums, if any, and/or with Subrecipient's required matching contributions may not be depreciated or capitalized.
- B. Any Asset purchased with the non-Federal portion of Subaward Sums, if any, may be capitalized and/or depreciated over the estimated useful lives of these Assets pursuant to Subrecipient's acquisition policies.
- C. Unless otherwise approved by County, compensation for the use of buildings and other capital improvements may be made through depreciation, or a use allowance:
  - 1.0 The computation of depreciation/use allowance is based on the acquisition cost of the asset(s).
  - 2.0 The computation should exclude the cost of land, buildings, and equipment donated by federal, State or County governments and the cost of buildings and land contributed by Subrecipient to satisfy funding matching requirements.
  - 3.0 For depreciation, an appropriate useful life must be established for the asset(s) which considers factors such as the nature of the asset used, susceptibility to technological obsolescence, etc.
  - 4.0 A use allowance is computed as an annual rate that may not exceed an annual rate of two-percent (2%) of the acquisition cost if the asset is a building or improvement. A use allowance in excess of the ceiling percentage must be justified by Subrecipient.

V. TITLE TO ASSETS

- A. Assets Purchased with Subaward Sums
  - 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 Subaward).

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 Subaward Sums. County also retains title to vehicles purchased with funds from a Predecessor Agreement(s), when such vehicles are currently in the possession of Subrecipient.

2.0 Vehicles shall be registered only in the name of Subrecipient. Such registration applies to all vehicles which are purchased with Subaward Sums as well as those purchased under a Predecessor Agreement(s), when such vehicles are currently in the possession of Subrecipient.

D. Throughout the entire term of this Subaward, Subrecipient shall adhere to the following:

1.0 Subrecipient 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 Subaward.

2.0 Subrecipient 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, Subrecipient must receive written approval from County authorizing the purchase when Subrecipient will use more than \$5,000 of Subaward Sums to purchase the Fixed Asset.

2.0 Prior approval is not required for the purchase of Non-Fixed Assets and Supplies. However, Subrecipient 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 Title 45 Code of Federal Regulations Part 75 et al.

- 3.0 Subrecipient shall submit a written request to County's Contract Manager to obtain authorization to purchase such Fixed Asset. Subrecipient shall submit this written request at least thirty (30) days in advance of the date/time that Subrecipient intends to purchase the Asset.
- 4.0 Upon receiving written approval from County, Subrecipient shall ensure that all Fixed Asset purchases are also approved in writing by Subrecipient's Board of Directors or its Authorized Representative, before the Fixed Asset is purchased.
- 5.0 County's approval of Subrecipient's Budget (as defined in Exhibit P (Definitions)) does not constitute approval for Subrecipient to purchase the Fixed Asset. Once all written approvals have been received, Subrecipient shall then include the Fixed Asset in its Budget and proceed with the purchase.
- 6.0 Examples
  - 6.1 If Subrecipient intends to purchase an item, which costs \$5,700 and otherwise meets the definition of a Fixed Asset, and Subrecipient will use \$2,500 of Subaward Sums to purchase this Fixed Asset, prior approval is not required.
  - 6.2 If Subrecipient intends to purchase an item, which costs \$5,700 and otherwise meets the definition of a Fixed Asset, and Subrecipient will use \$5,700 of Subaward Sums 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, Subrecipient must receive written approval from County authorizing the purchase when Subrecipient will use more than \$500 of Subaward Sums to purchase the Asset.
- 2.0 Prior approval is not required for the purchase of Supplies. However, Subrecipient shall adhere to all of the other procurement policies governing the purchase of Supplies as

outlined herein and in accordance with Title 45 Code of Federal Regulations Part 75 et al.

- 3.0 Subrecipient shall submit a written request to County's Contract Manager to request authorization to purchase such Asset. Subrecipient shall submit this written request at least thirty (30) days in advance of the date/time that Subrecipient intends to purchase the Asset.
- 4.0 Upon receiving written approval from County, Subrecipient shall ensure that all Asset purchases are also approved in writing by Subrecipient's Board of Directors or its Authorized Representative, before the Asset is purchased.
- 5.0 County's approval of Subrecipient's Budget does not constitute approval for Subrecipient to purchase the Asset. Once all written approvals have been received, Subrecipient shall then include the Asset in its Budget and proceed with the purchase.
- 6.0 Examples
  - 6.1 If Subrecipient intends to purchase an item which costs \$475 and Subrecipient will use \$475 of Subaward Sums to purchase this item, prior approval is not required.
  - 6.2 If Subrecipient intends to purchase an item, which costs \$550 and Subrecipient will use \$500 of Subaward Sums to purchase this item, prior written approval is required.

C. Necessary Prior Approval to Purchase Fixed Assets for Workforce Innovation and Opportunity Act (WIOA) Programs

- 1.0 Prior to purchasing or acquiring Fixed Assets, Subrecipient must receive written approval from County authorizing the purchase when Subrecipient will use any portion of Subaward Sums to purchase the Fixed Asset.
- 2.0 Prior approval is not required for the purchase of Non-Fixed Assets and Supplies. However, Subrecipient 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 Title 45 Code of Federal Regulations Part 75 et al.

- 3.0 Subrecipient shall submit a written request to County's Contract Manager following the instructions provided in WIOA 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/directives.htm>
- 4.0 Upon receiving written approval from County, Subrecipient shall ensure that all Fixed Asset purchases are also approved in writing by Subrecipient's Board of Directors or its Authorized Representative, before the Fixed Asset is purchased.
- 5.0 County's approval of Subrecipient's Budget does not constitute approval for Subrecipient to purchase the Fixed Asset. Once all written approvals have been received, Subrecipient shall then include the Fixed Asset in its Budget and proceed with the purchase.
- 6.0 Examples
  - 6.1 If Subrecipient intends to purchase an item which costs \$4,500 and Subrecipient will use \$4,500 of Subaward Sums to purchase this item, prior approval is not required.
  - 6.2 If Subrecipient intends to purchase an item which costs \$5,100 and Subrecipient will use \$4,500 of Subaward Sums 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 WIOA Programs
  - 1.0 Subrecipient shall obtain prior written approval from County in order to sell, trade-in, discard or transfer to another entity any Asset with a unit acquisition cost of at least \$500, or \$300 if purchased under a Predecessor Agreement(s) (regardless of the residual or current fair market value of the Asset). Subrecipient shall not dispose of any Asset unless/until Subrecipient receives such written approval.

- 2.0 Subrecipient shall contact County's Contract Manager to obtain specific instructions on how to request prior approval from County, and Subrecipient 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, Subrecipient 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 Subaward, Program and Client related records and information (or any information that would compromise Subrecipient's ability to adhere to the confidentiality requirements of this Subaward, including Paragraph 7.6 (Confidentiality), Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement), and Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) – if/when Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) is included with this Subaward.
- 4.0 Upon receipt of written approval from County, Subrecipient 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 Subrecipient shall obtain prior written approval from County (and State) in order to sell, trade-in, discard or transfer to another entity any Asset with a unit acquisition cost of at least \$500, or \$300 if purchased under a Predecessor Agreement(s) (regardless of the residual or current fair market value of the Asset). Subrecipient shall not dispose of any Asset unless/until Subrecipient receives such written approval.
- 2.0 Subrecipient shall contact County's Contract Manager to obtain specific instructions on how to request prior approval, and Subrecipient 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, Subrecipient 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 Subaward, Program and Client related records and information (or any information that would compromise Subrecipient's ability to adhere to the confidentiality requirements of this Subaward, including Paragraph 7.6 (Confidentiality), Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement), and Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) – if/when Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) is included with this Subaward.

4.0 Upon receipt of written approval from County, Subrecipient 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 Subrecipient 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 Q (Accounting, Administration and Reporting Requirements).

2.0 Subrecipient shall contact County's Program Manager to obtain specific instructions on how to request prior approval from County, and Subrecipient 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, Subrecipient shall exercise due diligence in the purchase of Supplies when specific requirements related to Supplies are not addressed.

B. Cost Requirements

1.0 Subrecipient 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. Subrecipient shall ensure that the cost of the Assets are allowable and allocable pursuant to the cost principles outlined in Title 45 Code of Federal Regulations Part 75 et al.

- 1.2 A price analysis includes the comparison of price quotations submitted, market prices, and similar indicia, together with discounts.
- 2.0 Subrecipient shall conduct an analysis of lease and purchase alternatives to determine the most economical and practical procurement method.
- 3.0 Subrecipient shall avoid purchasing unnecessary or duplicative items. Subrecipient 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 Subrecipient 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 Subrecipient as well as any charges for taxes, delivery/shipping, etc.
- 5.0 Subrecipient shall only charge the true actual cost of the Asset to this Subaward. If the true actual cost of the Asset is allocable to multiple funding sources, the share of costs charged to this Subaward shall not be charged by Subrecipient to another grant, program or contract.

C. Competitive Procurement

- 1.0 Subrecipient shall conduct all procurements for Assets in a manner that provides full, open and free competition consistent with the procurement standards outlined in Title 45 Code of Federal Regulations Part 75 et al.
- 2.0 Subrecipient 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 Subrecipient shall avoid organizational conflicts of interest and non-competitive practices among vendors that may restrict or eliminate competition or otherwise restrain trade.
- 4.0 Subrecipient or Subrecipient'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 Subrecipient 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 Title 45 Code of Federal Regulations Part 75 et al. 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 Subrecipient 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 Subrecipient 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 Title 45 Code of Federal Regulations Part 75 et al.

D. Procurement Instrument

- 1.0 Subrecipient shall determine the type of procuring or contracting instrument to be used for the purchase. Such instrument may include purchase orders, fixed price subawards, cost reimbursable subawards, etc.
- 2.0 Subrecipient 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 Subrecipient 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 Subrecipient shall have written internal procurement procedures in place (including processes for vendor selection, requisition approval, etc.).
- 3.0 Subrecipient shall maintain documentation of its cost/price analysis and any sole source procurement.
- 4.0 Subrecipient's Budget
  - 4.1 Subrecipient shall report Assets purchased with Subaward Sums on the Budget. Prior to reporting Assets on the Budget, Subrecipient 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 Subrecipient 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. Subrecipient 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, Subrecipient 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 Subaward.
- 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 Subrecipient 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 Subrecipient 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 Subaward Sums and/or with any required Subrecipient matching contribution shall be charged directly to the Program.

#### IX. INVENTORY REQUIREMENTS FOR ASSETS

- A. The following requirements are applicable only to Assets. However, Subrecipient shall exercise reasonable care in the maintenance and tracking of Supplies.
- B. Asset Bar Code Identification Tags
  - 1.0 Subrecipient 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 Subrecipient 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, Subrecipient 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, Subrecipient shall conduct a physical inventory of all Assets and shall document its activities. Subrecipient shall reconcile the results with Subrecipient's Asset accounting and inventory records.
  - 2.0 Subrecipient 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, Subrecipient shall verify the existence, current utilization and continued need for Assets.
- 4.0 Subrecipient shall inventory these Assets until the final disposition procedures have been completed for the Assets. Upon final disposition of the Assets, Subrecipient shall remove these Assets from its accounting and inventory records. Subrecipient shall continue to maintain the disposition records in accordance with the record retention requirements outlined in Paragraph 8.38 (Record Retention, Inspection and Audit Settlement) of this Subaward.

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

- 1.0 Annually, Subrecipient 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, Subrecipient shall prepare a cumulative report of all Assets which are currently in Subrecipient's possession. In the event that Subrecipient has properly disposed of Assets (according to the procedures outlined in this Exhibit S) then Subrecipient shall exclude those disposed Assets from this cumulative inventory report. Subrecipient shall use Exhibit T (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, Subrecipient shall complete its report of all Assets purchased during that Fiscal Year (please refer to Appendix C (Sample Subaward) for additional details on the Closeout process).

1.2.2 During any Fiscal Year in which Subrecipient does not purchase any Assets, Subrecipient 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, Subrecipient shall complete Exhibit T (Inventory Control Form) to report its Assets and shall submit it to County's Contract Manager.

2.2 Subrecipient 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 Subrecipient 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 Subrecipient shall ensure that the information on the supporting records match the information reported on the Inventory Control Form.

2.5 Subrecipient 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 Subrecipient to dispose of (i.e., Subrecipient shall report all Assets on the Inventory Control Form until the final disposition procedures have been completed for each Asset).

2.6 If Subrecipient has multiple subawards with County, Subrecipient shall use a separate Inventory Control Form to report Assets for each subaward.

### 3.0 Inventory Letter

3.1 On an annual basis or more frequently as requested by County, Subrecipient 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 Subaward Sums 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 Subrecipient's name, Subaward number and the name of the Program.

3.1.3 If Subrecipient has multiple Program components, Subrecipient shall prepare a separate Inventory Letter to report that no Assets were purchased for each Program component. For purposes of this Subaward, the Program component is defined as the Work to be provided under this Subaward 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 Subaward Sums.

3.1.4 The Inventory Letter shall be signed and dated by Subrecipient's Authorized Representative.

## X. DISPOSAL REQUIREMENTS FOR ASSETS AND SUPPLIES

A. The following requirements are applicable to both Assets and Supplies. Additionally, Subrecipient shall exercise due diligence to dispose of Supplies when specific requirements related to Supplies are not addressed. Subrecipient 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, Subrecipient may dispose of Assets and Supplies pursuant to the guidelines reflected in this Exhibit S as well as in Title 45 Code of Federal Regulations Part 75 et al.
- C. For purposes of this Exhibit S, 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 Subaward, termination of the Program, dissolution of Subrecipient's operations, or other similar circumstances.
  - 3.0 Subrecipient 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 Subrecipient. For purposes of this Exhibit S, 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: Subrecipient employees; Subrecipient employees' family members; entities that conduct business or have a relationship with Subrecipient; Clients; etc.
- E. Disposition of Assets upon Dissolution of Subrecipient's Operations, Expiration or Termination of Subaward 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 Subrecipient's operations
    - 1.2 Upon expiration or termination of this Subaward



- 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 Subrecipient 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 Subrecipient to transfer such Assets to another entity, including, but not limited to, State, County or another subrecipient.
- 5.0 To exercise the right referenced in Sub-section X.E.4.0, herein, County will issue specific written disposition instructions to Subrecipient no later than ninety (90) days after expiration or termination of this Subaward, notification of Subrecipient's dissolution or termination of the Program.

F. Supplies

- 1.0 Subrecipient 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 Subrecipient shall determine the current fair market value of all Assets being sold, transferred, disposed of or donated.
- 2.0 Subrecipient 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, Subrecipient 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 Subrecipient 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 Subrecipient 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 Subrecipient may be required to reimburse County for the revenue that is earned pursuant to Exhibit Q (Accounting, Administration and Reporting Requirements).
- 4.0 After the sale of an Asset, Subrecipient 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 Subrecipient 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, Subrecipient may proceed with this action as a method of disposing those Assets.
- 2.0 Subrecipient shall transfer Assets according to this order:
  - 2.1 To another program providing the same or similar service as that provided under this Subaward.
  - 2.2 To a Federally or State-funded program.

- 3.0 After the transfer of an Asset, Subrecipient 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 Subrecipient shall obtain receipts from the recipient of the transferred item(s) acknowledging receipt of the transferred item(s). Subrecipient 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, Subrecipient may proceed with this action as a method of disposing those Assets.
- 2.0 To donate Assets, Subrecipient 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. Subrecipient 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 Subrecipient 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 Subrecipient 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. Subrecipient shall be under a continuing obligation throughout the entire term of this Subaward to comply with the purchase, inventory and disposal requirements outlined in this Exhibit S and in Title 45 Code of Federal Regulations Part 75 et al.

B. Subrecipient's non-compliance with these requirements shall subject Subrecipient 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 Subaward. 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 Subrecipient to remit payment for Assets which are not properly disposed or inventoried

3.0 Remove those Assets from Subrecipient which are not properly maintained pursuant to the requirements outlined herein.

XII. RECORDKEEPING

A. Subrecipient 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, Inspection and Audit Settlement) of this Subaward.

B. Subrecipient shall make these documents available for collection and/or viewing by Federal, State and County authorities upon request.

**EXHIBIT T  
(INVENTORY CONTROL FORM)**

County Asset Bar Code ID Number	Funding Source (If multiple funding sources, indicate % split)	DESCRIPTION				Location of Asset	Assigned to (Name of Person)	Cond. of Asset*	Purchase Order No.	No. of Units	DATE		COST	
		Type	Brand	Model	Serial No.						Purchased	Acquired	Unit	Purchased

I certify under penalty of perjury that a complete physical inventory has been conducted, the information provided on this form is correct to the best of my knowledge, and all purchases were made in accordance with the conditions of the Contract and are in compliance with local, State, and federal regulations.

\_\_\_\_\_  
Subrecipient's Name

\_\_\_\_\_  
Subaward Number

\_\_\_\_\_  
Program Services

\_\_\_\_\_  
Fiscal Year

\_\_\_\_\_  
Name of Preparer Completing Exhibit

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Authorized Representative's Signature

\_\_\_\_\_  
Date

\* Provide condition of the asset upon its disposal, transfer or as requested by County. Condition descriptions: V=Very Good; G=Good; F=Fair; P=Poor; S=Salvage/disposed

County Asset Bar Code ID Number	Funding Source (If multiple funding sources, indicate % split)	DESCRIPTION				Location of Asset	Assigned to (Name of Person)	Cond. of Asset*	Purchase Order No.	No. of Units	DATE		COST	
		Type	Brand	Model	Serial No.						Purchased	Acquired	Unit	Purchased

\* Provide condition of the asset upon its disposal, transfer or as requested by County. Condition descriptions: V=Very Good; G=Good; F=Fair; P=Poor; S=Salvage/disposed

**EXHIBIT U**  
**(CERTIFICATION OF COMPLIANCE WITH COUNTY'S**  
**DEFAULTED PROPERTY TAX REDUCTION PROGRAM)**

Subrecipient certifies that:

- It is familiar with the terms of the County of Los Angeles Defaulted Property Tax Reduction Program, Los Angeles County Code Chapter 2.206; **and**

To the best of its knowledge, after a reasonable inquiry, Subrecipient is not in default, as that term is defined in Los Angeles County Code Section 2.206.020.E, on any Los Angeles County property tax obligation; **and**

It agrees to comply with County's Defaulted Property Tax Reduction Program during the term of this Subaward.

**- OR -**

- It is exempt from the County of Los Angeles Defaulted Property Tax Reduction Program, pursuant to Los Angeles County Code Section 2.206.060, for the following reason:

**DECLARATION**

**I declare under penalty of perjury under the laws of the State of California that the information stated herein is true and correct.**

\_\_\_\_\_  
Subrecipient's Name

\_\_\_\_\_  
Subaward Number

\_\_\_\_\_  
Name of Authorized Representative (Print)

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Authorized Representative's Signature

\_\_\_\_\_  
Date

## EXHIBIT V

### (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 Subaward. County has implemented the System and Subrecipient 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. Subrecipient shall adhere to these policies, which include this Exhibit V (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. Subrecipient’s non-compliance with these policies may subject Subrecipient to denial of access to the System, suspension of payment(s), termination of this Subaward, and/or other actions which County may take at its sole discretion.
- 3.0 System Access and Control
  - 3.1. Subrecipient shall access the System using the following Uniform Resource Locator (URL) link:  
[https://gateway.css.lacounty.gov:4443/OA\\_HTML/AppsLogin](https://gateway.css.lacounty.gov:4443/OA_HTML/AppsLogin) (please note there is an underscore between “OA” and “HTML” in the URL).
  - 3.2. Subrecipient 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 Subrecipient 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 Subrecipient 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 1<sup>st</sup>, July 4<sup>th</sup>, December 25<sup>th</sup>, etc. of each year. Subrecipient 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 Subrecipient 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 Subrecipient 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. Subrecipient 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. Subrecipient shall designate Subrecipient Employees (Users) who shall be responsible for operating the System on Subrecipient’s behalf.
- 5.1.2. For purposes of this Terms and Conditions of Use, a Subrecipient Employee is defined as a staff member on Subrecipient’s payroll who works on this Subaward.
- 5.1.3. Subrecipient shall obtain prior approval from County to designate an account for each User who accesses the System. Subrecipient 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. Subrecipient 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 Subaward documents and agency information.

5.2.2.2. Administrative User: A User who can access the System to view all Subaward documents and agency information, submit Subaward documents to County, update Subrecipient'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. Subrecipient 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. Subrecipient shall designate at least one (1) Administrative User at the level of Subrecipient's Project Manager.

5.4.2. Subrecipient shall designate at least one (1) User who has delegated authority to execute this Subaward. 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 Subaward Document Deliverables (e.g., insurance certificates, business licenses, permits, etc.).

## 5.5. Requesting User Accounts

5.5.1. Subrecipient shall obtain prior approval from County in order to establish User accounts in the System. Subrecipient shall follow these general guidelines to obtain County's approval:

5.5.1.1. Subrecipient 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. Subrecipient shall provide the Employee with the User Acknowledgement Agreement, and the Employee shall read and complete the form. Subrecipient's Authorized Representative shall review and sign the form. Subrecipient shall ensure that the User Acknowledgement Agreement is completed for each Employee that will receive a User account.

5.5.1.3. Subrecipient shall ensure that the completed User Acknowledgement Agreement is attached/saved in the System as a Subaward 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. Subrecipient shall create a profile for each User in the System.

5.5.1.5. Upon County's receipt of the User profile submitted by Subrecipient, County will review User's profile and Employee's completed User Acknowledgement Agreement.

5.5.1.6. County will inform Subrecipient whether the User account has been approved or rejected.

## 5.5.2. Approved and Rejected User Accounts

5.5.2.1. Upon approval of Subrecipient'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 Subrecipient's request for a User account, County will follow-up with Subrecipient to discuss the reason(s) for rejecting Subrecipient's request for a User account.

### 5.5.3. Subrecipient's Assurances Upon Creating User Accounts

5.5.3.1. Subrecipient is responsible for the conduct of all Users who access and utilize the System. Subrecipient shall ensure that Subrecipient 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. Subrecipient shall ensure that each User's copy of the User Acknowledgement Agreement forms are saved in the System as a Subaward Document Deliverable. Subrecipient shall not delete any User Acknowledgement Agreement forms from the System without County's written prior approval.

5.5.3.3. Subrecipient 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 Subrecipient.

## 5.6. User Name and Password

5.6.1. Subrecipient 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. Subrecipient 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 Subrecipient or User's responsibilities change), Subrecipient'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. Subrecipient shall update User account profiles in the System by removing a User's account once that User is no longer an Employee on this Subaward.

#### 5.7.3. New Employees/Users

5.7.3.1. When Subrecipient determines that a new Employee shall receive a User account, Subrecipient 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, Subrecipient 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. Subrecipient shall regularly review all User account information to ensure accuracy and completeness. Subrecipient shall ensure that updates are completed whenever administrative changes occur.

5.7.5. If County determines at its own discretion that Subrecipient is creating or removing User accounts too frequently then County shall take appropriate measures to investigate and remedy these occurrences. Upon County's request, Subrecipient shall provide sufficient justification for these frequent User account updates.

### 6.0 General Policies for Use

6.1. County information technology resources are to be used solely for County business purposes.

6.2. County may periodically update this Terms and Conditions of Use and the User Acknowledgement Agreement policies. County may also implement future enhancements to the System. Subrecipient shall ensure that Subrecipient and Users adhere to all policy updates as well as any new procedures for using System enhancements.

6.3. Data Integrity

6.3.1. Subrecipient 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. Subrecipient'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 Subaward (or Amendments), request for Subaward Document Deliverables, notification of expired Subaward Compliance Document Deliverables, etc.

6.4.2. Subrecipient 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 Subaward-County) in

this Subaward and Exhibit E (County's Administration). Subrecipient 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 Subaward-Subrecipient) and Paragraph 8.34 (Notices) of this Subaward, Subrecipient shall designate its authorized staff by using Exhibit F (Subrecipient's Administration). Further, Subrecipient shall initiate any changes in its staff, including those listed on Exhibit F (Subrecipient's Administration), by giving written notice to County.

6.5.2. When changes to Subrecipient's staff, address or other items requiring written notice are necessary, Subrecipient shall:

6.5.2.1. Adhere to the requirements outlined in Paragraph 8.34 (Notices) of this Subaward.

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 Subrecipient from adhering to the requirements for providing proper written notice to County when changes occur in Subrecipient'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 Subrecipient's access to and use of County's information technology resources (i.e., System, e-mails, Subrecipient-generated data files, etc.). If evidence of abuse or negligence is identified, County will take the appropriate actions to remedy any areas of Subrecipient'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 Subrecipient'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. Subrecipient 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. Subrecipient 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. Tsootso Odamtten may be reached by phone or e-mail, respectively, as follows: (213) 738-2663 or [todamtten@css.lacounty.gov](mailto:todamtten@css.lacounty.gov).
    - 8.2.2.2. Ms. Lynn Tran may be reached by phone or e-mail, respectively, as follows: (213) 739-7393 or [ltran@css.lacounty.gov](mailto:ltran@css.lacounty.gov).
  - 8.2.3. County will follow-up on requests for assistance from Subrecipient within at least two (2) business days during the traditional work week (pursuant to Sub-sections 3.4.2 and 8.2.1, herein).



# **EXHIBIT W**

Exhibit W: Budget (Refer to RFP, Appendix D-1, Unique Exhibits, Exhibit 2)

# **EXHIBIT X**

Exhibit X: SCSEP Performance Measures and Goals (Refer to RFP, Appendix B-5, Exhibit 4, Performance Measures and Goals)

**EXHIBIT Y  
(LIST OF LOWER TIER SUBAWARDS)**

**Fiscal Year:** \_\_\_\_\_

**Program Services:** \_\_\_\_\_

<b>Lower Tier Subrecipient's Legal Name</b>	<b>Lower Tier Subrecipient's Address and Phone Number</b>	<b>Description of the Work/Services to be Performed</b>	<b>Lower Tier Subaward Number</b>	<b>Lower Tier Subaward Amount</b>

# EXHIBIT Z

Exhibit Z: Cost Allocation Plan\*

\*Cost Allocation Plan will be inserted here once approved by the County

**EXHIBIT AA  
(SUBRECIPIENT'S COMPLIANCE WITH ENCRYPTION REQUIREMENTS)**

Subrecipient shall provide information about its encryption practices. Subrecipient attests that the information provided in this Exhibit certifies that Subrecipient will comply with County of Los Angeles Board of Supervisor's policy entitled "Contractor Protection of Electronic County Information" (policy number pending), at the commencement of and during the term of the Subaward.

REQUIREMENT	COMPLIANCE RESPONSE	DOCUMENTATION AVAILABLE
	Yes/No	Yes/No
Will County Information Assets stored on your workstation(s) be encrypted?		
Will County Information Assets stored on your laptop(s) be encrypted?		
Will County Information Assets stored on removable media be encrypted?		
Will County data be encrypted when transmitted?		
Will Subrecipient maintain a copy of any validation/attestation reports generated by its encryption tools?		
Will County Information Assets be stored on remote servers (i.e., cloud storage, Software-as-a-Service (SaaS))?		

\_\_\_\_\_  
Subrecipient's Name

\_\_\_\_\_  
Subaward Number

\_\_\_\_\_  
Name of Authorized Representative (Print)

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Authorized Representative's Signature

\_\_\_\_\_  
Date

## Criteria and Standards for Letters of Credit and Certificates of Deposit

1. The Certificate of Deposit (CD) or Letters of Credit (LOC) shall be drawn by or on an institution that meets at least one of the ratings from the table below. If the institution is rated by all four rating agencies, the rating is considered in the analysis will be the lower rating of Moody's or Standard & Poor's. However, if the institution receives ratings from Bauer Financial and TheStreet.com, only the higher of the two ratings is considered.

<b>Deposits</b>	<b>Moody's*</b>	<b>Standard &amp; Poor's</b>	<b>Bauer Financial</b>	<b>The Street.com**</b>
If the term of the CD is less than three (3) years, the minimum ratings are:	A2 or better	A or better	4 Stars or better	B or better
If the term of the CD is three (3) years or greater and the Total Assets of the institution are less than \$150 billion, the minimum ratings are:	Aa1 or better	AA+ or better	4 Stars or better	B or better
If the term of the CD is three (3) years or greater and the Total Assets of the institution are \$150 billion or more, the minimum ratings are:	Aa3 or better	AA- or better	4 Stars or better	B or better

\* Bank Financial Strength (only for Moody's, a subcategory of the overall rating standard) should be B or better. Bank Financial Strength is a rating standard that must be met if the institution's total assets are less than \$1.5 billion and Moody's rates the institution.

\*\* Formerly Weiss Ratings, Inc.

2. All deposits shall be insured through either the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA) at their maximum standard rate.
3. The CD or LOC shall be irrevocable and in the County's name or pledged to the County.
4. The CD or LOC shall be issued for an amount, as directed by the County, as sufficient to support the terms of the performance agreement, unless otherwise stated in the contract.
5. The CD or LOC shall mature at a definite time, which, unless otherwise stated in the contract, may not be prior to direction by the County, or the expiration of the performance agreement or other provisions thereof.

6. The CD shall meet the minimum criteria and standards at the time the funds are placed with the financial institution. However, a liquidation of the placement is not required should the financial institution's ratings fall below the minimum criteria and standards during the term of the placement. However, at the placement's expiration or maturity, the funds should be placed with a different financial institution that meets the minimum criteria and standards.