

**WIA COST REIMBURSEMENT AGREEMENT
County of Orange**

THIS AGREEMENT, between the County of Orange, hereinafter referred to as "COUNTY" and _____ hereinafter referred to as "CONTRACTOR," consists of forty-five (45) sections, eight (8) exhibits, **A.** General Program Requirements, **B.** Statement of Work, **C.** Performance Standards, **D.** Budget Schedule **E.** Drug Free Workplace Certification, **F.** Certification Regarding Lobbying, and **G.** Disclosure Form to Report Lobbying. **H.** Child Support Enforcement Provision (for profit only providers)

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EXHIBITS

- A General Program Requirements
- B Statement of Work
- C Performance Standards
- D Budget Schedule
- E Drug-Free Workplace Certification
- F Certification Regarding Lobbying
- G Disclosure Form to Report Lobbying
- H Child Support Enforcement Provision (for profit only providers)

WITNESSETH:

WHEREAS, Congress has enacted the "Workforce Investment Act of 1998," hereinafter referred to as "the Act," to provide workforce investment activities, through statewide and local workforce investment systems, that increase employment, retention and earnings of participants, and increase occupational skill attainment by participants, and, as a result, improve the quality of the work force and enhance the productivity and competitiveness of the Nation, and

WHEREAS, COUNTY, acting as the Administrator of Workforce Investment Act funds, is empowered to make a portion of the funds available pursuant to the Act (hereinafter referred to as "grant funds") to CONTRACTOR, for the purpose of implementing the provisions of the Act; and

WHEREAS, COUNTY, by Minute Order dated _____, 20__, a copy of which is on file with the Clerk of the Board of Supervisors of Orange County and which by this reference is incorporated herein and made a part hereof as

if fully set forth, has appropriated a portion of grant funds in the amount of _____ to engage CONTRACTOR to carry out certain program services;

WHEREAS, the Director of County's Community Services Agency (hereinafter referred to as "CSA") or his designees shall administer this Agreement as is necessary or reasonable to comply with or implement the grants received by COUNTY and as required by law or applicable regulations; and

WHEREAS, CONTRACTOR, in order to receive grant funds, is agreeable to the terms and conditions hereinafter set forth;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

TERM

1. The effective term of this Agreement shall be from the period beginning July 1, 2002 and ending June 30, 2003 subject to the provisions of Sections 15, 39 and 41 of this Agreement. This Agreement shall be eligible for extension upon approval by the Board of Supervisors as provided for under the Act and or subsequent federal and state guidelines. CONTRACTOR agrees that any and all funds received under this Agreement shall be disbursed or encumbered on or before June 30, 2003, and that any and all funds remaining as of June 30, 2003, which have not been disbursed or encumbered shall be returned by CONTRACTOR to COUNTY. No expense of CONTRACTOR will be reimbursed by COUNTY if incurred after June 30, 2003. No CONTRACTOR expenses shall be paid if billing is received by COUNTY after August 5, 2003.

PURPOSE

2. The purpose of the program funded by this Agreement is to provide workforce investment activities to those seeking employment and to businesses, through local workforce investment systems, that increase employment, retention, earnings and occupational skill attainment and, by increasing the effectiveness of local and regional business through

economic development activities, job matching, and other services, and, as a result, improve the quality of the work force and enhance the productivity and competitiveness of Orange County and the Nation. CONTRACTOR shall ensure that the program funded hereby shall comply with this purpose.

COMPLIANCE WITH LAW

3. In its performance under this Agreement, CONTRACTOR shall fully comply with the requirements of the following, whether or not otherwise referred to in this Agreement:

(a) The Act and all applicable federal statutes, regulations, policies, procedures and directives, including but not limited to, 20 C.F.R. Parts 652 and 660 through 671.

(b) All applicable standards and orders and requirements issued under Section 306 of the Clean Air Act, Section 508 of the Clean Water Act and Environmental Protection Agency regulations in contracts in excess of \$100,000.

(c) CONTRACTOR shall comply with such mandatory standards and policies relating to energy efficiency as particularized in the State Energy Conservation Plan. (Title 20, California Code of Regulations), as required by the U.S. Energy Policy and Conservation Act (P.L. 94-163) as each may now exist or be hereafter amended.

(d) All applicable State statutes, regulations, policies, procedures and directives;

(e) All applicable COUNTY policies, procedures and directives;

(f) All applicable local ordinances and requirements, including use permits and licensing;

(g) Court orders applicable to its operation; and

(h) The terms and conditions of this Agreement.

If any of the foregoing is enacted, amended, or revised, CONTRACTOR will comply with such or will notify CSA after enactment or modification that it cannot so comply. COUNTY may thereupon terminate this Agreement, if necessary.

STATEMENT OF WORK

4. This Agreement is based upon the Statement of Work included as Exhibit B to this Agreement. CONTRACTOR agrees to comply with all provisions, to perform all work, and to provide all services set forth in this Agreement and the aforementioned Statement of Work in a professional, timely and diligent manner. The parties hereto agree that concerning matters not specifically contained within the body of this Agreement, the Statement of Work will be controlling.

SERVICES

5. CONTRACTOR agrees that those specific program components to be performed by CONTRACTOR, and the service levels to be utilized by COUNTY for program evaluation and monitoring, include, but are not limited to, those set forth in Exhibits "A", "B" and "C", which are attached hereto and which by this reference are incorporated herein and made a part hereof as if fully set forth. To the extent necessary as determined by CSA, such program components and curriculum shall be approved by and comply with the requirements of State Agencies having jurisdiction. CONTRACTOR agrees that it is responsible for and guarantees performance of all of the specific program components and service levels listed in Exhibits "A", "B" and "C". CONTRACTOR further agrees that lack of compliance with Exhibits "A", "B" or "C" may, in addition to those remedies set forth in Section 39 of this Agreement, constitute grounds for COUNTY to reduce the level of payment otherwise provided under Section 18 of this Agreement or to reduce the payment level and budget at which CONTRACTOR will be funded for the remainder of the period of this Agreement. Any such reduction shall occur only as a result of action of the Orange County Board of Supervisors.

MODIFICATION OF PROGRAM COMPONENTS AND SERVICE LEVELS

6. The parties hereto agree that those program components and service levels detailed in Exhibits "A", "B" and "C" may be modified so long as the total payments under this Agreement are not increased and the basic goals

and objectives of the program are not altered. However, any such modification shall not be made without the prior written approval of CSA.

INSTRUCTORS

7. CONTRACTOR assures that all instructors involved in the training of participants are qualified to instruct in the appropriate program or training component or curriculum. If necessary, such instructors shall be appropriately certified by the State of California. Within thirty (30) days after the execution of this Agreement, CONTRACTOR shall submit to CSA a list of the names and qualifications of all instructors who will be providing such training and shall notify CSA forthwith of any amendments or revisions thereto.

PERFORMANCE STANDARDS

8. CONTRACTOR shall comply with and adhere to the performance accountability standards and general program requirements described in Sections 136 (Performance Standards) and 195 (General Program Requirements) of the Act and applicable regulations and as contained in Exhibit "C".

PLANS AND PROCEDURES

9. CONTRACTOR shall monitor its program for compliance with the provisions of this Agreement. CONTRACTOR shall also comply with all applicable parts of COUNTY'S WIA Policies and Procedures for recruitment, intake, assessment and referral, copies of which is available from CSA. Said Policies and Procedures may be modified by COUNTY upon ten (10) days written notice to CONTRACTOR.

SATISFACTORY WORK

10. Services rendered hereunder are to be performed to the satisfaction of CSA. COUNTY'S staff will interpret all reports and will decide the quality, acceptability and progress of the services rendered hereunder.

REPORTS

11. CONTRACTOR shall submit such reports, data and information at such times as CSA may require, and in the form CSA may require, regarding the performance of CONTRACTOR'S services, or CONTRACTOR'S activities, costs or other data.

NO SUPPLANTATION

12. Funds provided under this Agreement shall be used only for activities that are in addition to those that would otherwise be available in the absence of such funds. CONTRACTOR shall not render the same services under this Agreement to any participant whose cost of services is otherwise paid for by any other person or entity.

INDEPENDENT CONTRACTOR

13. CONTRACTOR agrees that the services provided hereunder are rendered in its capacity as an independent contractor and that it is in no way an agent of COUNTY, nor shall its employees be entitled to any personnel benefits of COUNTY whatsoever.

SUBCONTRACTS/ASSIGNMENT

14. None of the duties of, or work to be performed by, CONTRACTOR under this Agreement shall be Sub-contracted or assigned to any agency, consultant, or person without the prior written consent of COUNTY. No subcontract or assignment shall terminate or alter the legal obligations of CONTRACTOR pursuant to this Agreement. CONTRACTOR shall insure that all subcontracts for services and contracted staff are procured in a manner consistent with Federal and local guidelines. Description of the intended method of procurement must be included as part of the budget which is included as Exhibit D of this Agreement. CONTRACTOR shall itemize all sub-contractor and contracted staff costs in the budget so it is clear how the funds will be allocated and spent by each contractor. By entering into this Agreement CONTRACTOR agrees that it is the direct provider of intensive services. Within 30 days of execution,

CONTRACTOR shall submit to CSA copies of all sub-contracts for services and contracted staff, and other agreements, as well as documentation indicating the approving authority's approval, that relate to this Agreement.

CONTINGENCY OF FUNDS

15. CONTRACTOR acknowledges that approval of and funding for this Agreement is contingent upon State approval; receipt of funds from, and obligation of funds by, the State of California to COUNTY; and inclusion of sufficient funding for the services hereunder in the budget approved by COUNTY'S Board of Supervisors for each fiscal year covered by this Agreement. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, COUNTY shall notify CONTRACTOR immediately and in writing. Immediately upon such notice CONTRACTOR shall modify or cease operations as directed by COUNTY. If COUNTY determines that modification of CONTRACTOR'S operations hereunder is preferable to cessation of such operations, within twenty days of said written notice, COUNTY and CONTRACTOR shall negotiate necessary modifications to this Agreement and/or reimbursement of costs incurred hereunder.

BUDGET SCHEDULE

16. CONTRACTOR agrees that the expenditures of any and all funds under this Agreement will be in accordance with the BUDGET SCHEDULE, a copy of which is attached hereto as Exhibit "D", and which by this reference is incorporated herein and made a part hereof as if fully set forth.

MODIFICATION OF BUDGET SCHEDULE

17. The budget schedule consists of the following budget categories: Salary and Benefits, Operations, Equipment, Travel, Supportive Services, Consultant/Subcontract, Participant Wages, Employer Reimbursements, Participant Training Costs, and Profit. Upon written approval of CSA, CONTRACTOR shall have the authority to transfer allocated program funds from one category of the overall program budget to any other category of the overall program budget, as long as the

amount of the total grant is not increased and the basic goals and objectives of the program are not altered. No such transfer may be made without the express prior written approval of CSA.

A modification of the Budget Schedule may include the addition of any new budget category. Approval of the Budget Modification by CSA includes approval of the new Budget Category,

PAYMENTS BY COUNTY

18. Upon the effective date of this Agreement, COUNTY shall make payments to CONTRACTOR in accordance with the following payment schedule:

(a) Monthly Payments. Beginning July 1, 2002, upon receipt and approval by CSA of CONTRACTOR'S invoice showing the prior month's actual expenditures, COUNTY shall make monthly reimbursement payments based on CONTRACTOR'S invoice so long as the total payments under this Agreement do not exceed \$_____.

(b) County Discretion. At the sole discretion of COUNTY, payments to CONTRACTOR may be made more frequently than monthly.

(c) Invoices. CONTRACTOR shall provide to CSA/SPD monthly invoices by the 20th day following the month being reported. CONTRACTOR shall submit invoices to CSA/SPD. CONTRACTOR'S invoices shall show the most up to date costs chargeable to the program(s) referenced in this Agreement. If CONTRACTOR'S expenditures for any program referenced in this Agreement fall below 20% of planned expenditures for any cumulative period commencing from the beginning of the term of this Agreement, CONTRACTOR may be subject to a reduction in funding. No payments will be authorized if any preceding month's reports or invoices are outstanding.

(d) Grant Fund Interest. All interest earned by CONTRACTOR on grant funds must be returned to COUNTY.

FISCAL ACCOUNTABILITY

19. (a) Financial Management System. CONTRACTOR shall establish and maintain a sound financial management system, based upon generally accepted accounting principles. CONTRACTOR'S system shall provide fiscal control and accounting procedures that will include the following:

- (1) Information pertaining to subgrant and contract awards, obligations, unobligated balances, assets, expenditures, and income;
- (2) Effective internal controls to safeguard assets and assure their proper use;
- (3) A comparison of actual expenditures with budgeted amounts for each subgrant and contract;
- (4) Source documentation to support accounting records; and
- (5) Proper charging of costs and cost allocation.

(b) CONTRACTOR'S Records. CONTRACTOR'S records shall be sufficient to:

- (1) Permit preparation of required reports;
- (2) Permit the tracing of funds to a level of expenditure adequate to establish that funds have not been used in violation of the applicable restrictions on the use of such funds; and
- (3) Permit the tracing of program income, or profits earned, and any costs incurred (such as stand-in costs) that are otherwise allowable except for funding limitations.

(c) Costs Charged. Costs shall be charged to this contract only in accordance with the following:

- (1) the Act;
- (2) 20 C.F.R. Part 667; and
- (3) State implementing legislation.

PROGRAM INCOME

20. COUNTY'S maximum obligation hereunder shall be reduced by the amount of any program income earned by CONTRACTOR, from sources other than COUNTY, as a result of this Agreement or the services provided by CONTRACTOR pursuant to this AGREEMENT.

PELL GRANTS/HEA TITLE IV

21. If CONTRACTOR provides any services under this Agreement to applicants for or recipients of Pell Grants or awards pursuant to Title IV of the Higher Education Act, CONTRACTOR shall cooperate with CSA in coordinating these grants and awards with WIA funding in accordance with 20 C.F.R. 663.320 and Section 134 (d) of the Act. CONTRACTOR shall inform CSA of the amounts and disposition of any Pell Grants, Higher Education Act Title IV awards and other financial aid granted to each WIA participant under this agreement.

ANNUAL AUDIT

22. CONTRACTOR shall arrange independently for an audit performed by a Certified Public Accountant that includes WIA funds received from COUNTY, in accordance with the Act and 20 C.F.R. Section 667.200. CONTRACTOR shall submit two (2) copies of each required audit report to COUNTY within thirty (30) days after the date received by CONTRACTOR.

ACCESS AND RECORDS

23. (a) Access. COUNTY, the State of California and the United States Government and/or their representatives, shall have access, for purposes of monitoring, auditing, and examining, to CONTRACTOR'S activities, books, documents and papers (including computer records) and to records of CONTRACTOR'S subcontractors, consultants, contracted employees, bookkeepers, accountants, employees and participants related to this Agreement. Such agencies or representatives shall have the right to make excerpts, transcripts and photocopies of such records and to schedule on-site monitoring at their discretion. Monitoring activities also may include, but are not limited to, questioning

employees and participants and entering any premises or onto any site in which any of the services or activities funded hereunder are conducted or in which any of the records of CONTRACTOR are kept. In the event CONTRACTOR does not make the above-referenced documents available within the County of Orange, California, CONTRACTOR agrees to pay all necessary and reasonable expenses incurred by COUNTY in conducting any audit at the location where said records and books of account are maintained.

(b) Records Retention. All accounting records and evidence pertaining to all costs of CONTRACTOR and all documents related to this Agreement shall be kept available at CONTRACTOR'S office or place of business for the duration of this Agreement and thereafter for three (3) years after completion of an audit. Records which relate to (1) complaints, claims, administrative proceedings or litigation arising out of the performance of this Agreement, or (2) costs and expenses of this Agreement to which COUNTY or any other governmental agency takes exception, shall be retained beyond the three (3) years until final resolution or disposition of such appeals, litigation, claims, or exceptions.

FRAUD

24. CONTRACTOR shall immediately report all suspected or known instances and facts concerning possible fraud, abuse or criminal activity under this Agreement, in accordance with Special Programs Division Policy and Procedure Number 4, which is incorporated herein by reference.

MODIFICATIONS/CHANGE ORDERS

25. (a) By CSA. CSA may at any time, by written order to CONTRACTOR, make changes within the general scope of this Agreement, in the definition of services and tasks to be performed, the manner in which services are performed, the time and place of performance thereof and additional related provisions. Such change orders may be made when necessitated by changes in the Orange County One-Stop System operations or performance, the operations or performance of CONTRACTOR, or changes in applicable statutes, regulations or State of California or federal mandates or directives.

CONTRACTOR shall be notified by COUNTY in advance of such change orders and CONTRACTOR may submit a program or budget modification request in response to change orders which significantly alter CONTRACTOR's Statement of Work. Modifications in the price of CONTRACTOR'S services in an amount that does not increase or decrease the price of this Agreement when originally executed, by 15%, may be made by the Director of CSA or designee. Modifications in excess of 15% of the original Agreement price, and modifications that materially alter either the parties' obligations hereunder must be approved by the COUNTY'S Board of Supervisors.

CONTRACTOR and COUNTY shall make a good faith effort to reach an agreement with respect to change orders which affect the price of services under the contract. CONTRACTOR'S protest or failure to agree to the amount of any adjustment to be made as a result of a change order shall be a dispute for which an appeal may be made pursuant to Section 40 of this Agreement. Notwithstanding the foregoing, the price of services under this Agreement shall not be increased except by written modification of this Agreement indicating the new services and price of this Agreement if applicable. Until the parties reach agreement, CONTRACTOR shall not be obligated to assume increased performance under the change order beyond the limitation of funds established within this Agreement.

(b) By CONTRACTOR. CONTRACTOR may request changes in the scope of performance or services under this Agreement, by submitting a written request to CSA describing the request and its impact on CONTRACTOR's Proposal, Statement of Work and budget schedule. CSA will review the request and respond within ten (10) work-days. All such requests shall be reviewed in light of all Special Programs Division program activities. CSA'S decision whether to approve the request or request Board of Supervisors' approval shall be final. The Director of CSA may approve a request that meets all of the following criteria:

- (i) The request does not increase or decrease the total amount of the funds allocated for the individual programs affected by 15% from the amount specified in Exhibit D of this Agreement,

when it was originally executed;

- (ii) It does not materially change other terms of this Agreement, and
- (iii) It is supported by adequate consideration to COUNTY.

Board of Supervisors' action is necessary to approve a request from CONTRACTOR that does not satisfy all of the criteria listed above.

PARTICIPANTS

26. (a) Benefits. CONTRACTOR shall provide wages and benefits to individuals who participate in the activities and services funded by this Agreement ("participants") in accordance with the standards and requirements of the Act, including Section 181 of the Act.

(b) Labor Standards. CONTRACTOR shall adhere to the Labor Standards described in the Act, including Section 181 of the Act.

(c) Complaint Handling Procedures. CONTRACTOR shall comply with the "Complaint Handling Procedures under the WIA Act, a copy of which is available from CSA. CONTRACTOR shall advise participants of their rights to file complaints under the Act and of the procedures for resolution of any complaints. CONTRACTOR shall follow COUNTY'S procedures for handling complaints alleging a violation of the Act, regulations, grants or other agreements under the Act, and any decision of the COUNTY, the State or the Federal government relating to the complaint shall be binding on and shall be followed by CONTRACTOR. CONTRACTORS shall operate a grievance system that incorporates the COUNTY'S procedures for resolution of complaints relating to the terms and conditions of employment; these procedures shall be approved in writing by CSA.

(d) Nondiscrimination and Compliance Provisions

- (1) As a condition of this award of financial assistance under the Act to CONTRACTOR from

COUNTY, CONTRACTOR assures, with respect to operation of all programs or activities funded with funds provided pursuant to the Act, and all agreements or arrangements to carry out such programs or activities, that it will comply fully with the nondiscrimination and equal opportunity provisions of the Act (Section 188); the Nontraditional Employment for Women Act of 1991; Title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; the Americans with Disabilities Act of 1990; Title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including, but not limited to, 29 C.F.R. part 37. The United States, the State of California and COUNTY have the right to seek judicial enforcement of this assurance.

(2) CONTRACTOR will comply with the provisions of the Fair Employment and Housing Act (California Government Code, Section 12900 et seq.) and the regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

(3) During the performance of this Agreement, CONTRACTOR and its subcontractors will not deny the Agreement's benefits to any person on the basis of race, ancestry, national origin, religion, color, ethnic group identification, sex, age, physical or mental disability (including HIV and AIDS), medical condition (cancer), marital status, nor will they unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of race, ancestry, religion, color, ethnic group identification, national origin, ancestry, mental or physical disability (including HIV and AIDS), medical condition (cancer), marital status, age (over 40), sex, denial of family care leave, or political affiliation or belief. CONTRACTOR will insure that the evaluation and treatment of employees and applicants for employment are free from such discrimination and harassment.

(4) CONTRACTOR will include the non-discrimination and compliance provisions of this Section of the Agreement in all subcontracts to perform work under this Agreement.

(5) CONTRACTOR will give written notice of its obligations under this Section of the Agreement to labor organizations with which CONTRACTOR has a collective bargaining or other agreement.

CONFIDENTIALITY

27. Without prejudice to any other section of this Agreement, CONTRACTOR shall, where applicable, maintain the confidential nature of information provided to it concerning participants in accordance with the requirements of federal and State law. However, CONTRACTOR shall submit to COUNTY, the State of California and/or the United States government or their representatives, all records requested for administrative purposes, including audit, examinations, monitoring and verification of reports submitted by CONTRACTOR, costs incurred and services rendered hereunder.

PROPERTY

28. (a) Definitions

1. "Real Property" is land, including land improvements, structures, and appurtenances thereto, excluding movable machinery and equipment.

2. Equipment:

a. For purchase before July 1, 1993, "equipment" is tangible non-expendable personal property having an acquisition cost of \$1,000 or more per unit.

b. For purchases on or after July 1, 1993, "equipment" is tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

(b) Property Management CONTRACTOR shall budget, manage and maintain an inventory of property in accordance with CSA Special Programs Division Property Management and Inventory System Policy and Procedure No. 1,

which is incorporated herein by reference and is available at the offices of CSA. Notwithstanding the provisions of Section 23, CONTRACTOR shall retain records pertaining to all equipment or property described above, and to costs incurred with respect thereto, for a period of three (3) years after final disposition of such property. Cost of equipment includes all taxes shipping, handling and installation costs. Upon termination of this Agreement, CONTRACTOR shall immediately return all equipment, finished or unfinished documents, photographs, data, studies and reports or unused supplies prepared or purchased by CONTRACTOR under this Agreement to COUNTY or its representative, or dispose of them in accordance with directions from the COUNTY.

INDEMNIFICATION

29. CONTRACTOR shall indemnify, hold harmless and defend COUNTY, its Board of Supervisors, its officers, agents and employees from any and all claims, demands, loss, liability, injury, death, suits or judgments arising out of or alleged to arise out of or in consequence of CONTRACTOR'S performance of this Agreement, or any act or omission of CONTRACTOR, its officers, agents or employees, including, but not limited to, and without waiving the generality of the foregoing, any audit disallowances or sums expended by CONTRACTOR in violation of federal, State or COUNTY requirements or of this Agreement, or any negligent or intentional acts or omissions of CONTRACTOR, its officers, agents or employees which injure or damage any participants or other third parties, including COUNTY personnel or representatives. CONTRACTOR shall forthwith remit all sums due COUNTY, along with the legal rate of interest, pursuant to this paragraph.

INSURANCE

30. The Contractor agrees to deposit with the County prior to the provision of services under this Agreement, Certificates of Insurance, including all endorsements required herein necessary to satisfy the County that insurance provisions of this Agreement have been complied with, and to keep such insurance and the certificates therefor on

deposit with the County during the entire term of this Agreement. In addition, all sub-contractors performing work on behalf of Contractor pursuant to this Agreement shall be covered under Contractor's insurance or shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor. All insurance policies required by this Agreement shall declare any deductible or self-insured retention (SIR) in an amount in excess of \$25,000 (\$5,000 for automobile liability) which shall specifically be approved by the County Executive Office/Office of Risk Management. Contractor shall be responsible for reimbursement of any deductible to the insurer.

If Contractor is a governmental entity, Contractor may elect to self-insure for the insurance coverage required by this Agreement.

(a) Qualified Insurer. The Contractor shall maintain insurance acceptable to the County of Orange in full force and effect throughout the term of this Agreement. If the Contractor fails to maintain insurance acceptable to the County for the full term of this Agreement, the County may terminate this Agreement. The policy or policies of insurance must be issued by an insurer licensed to do business in the State of California (California Admitted Carrier).

Minimum insurance company ratings as determined by the most current edition of the Best's Key Rating Guide/Property-Casualty/United States shall be A- (Secure Best's Rating) and VIII (Financial Size Category). Contractor will file with the County of Orange, prior to the commencement of performance of services under this Agreement, an original Certificate of Insurance and all required endorsements evidencing that coverage required by this Agreement is in effect.

If the carrier is a non-admitted carrier in the State of California, County Executive Office/Office of Risk Management retains the right to approve or reject carrier after a review of the company's performance and financial ratings.

(b) Coverage Limits. The policy or policies of insurance maintained by the Contractor shall provide the minimum limits and coverage as set forth herein below:

Coverage	Minimum Limits
Commercial General Liability to include a Broad Form Property Damage Endorsement and Contractual Liability	\$1,000,000 combined single limit per occurrence \$2,000,000 Aggregate
Automobile Liability including all owned non-owned and hired vehicles	\$1,000,000 combined single limit per occurrence
Workers' Compensation	Statutory
Employer's Liability	\$1,000,000 per occurrence
Professional Liability	\$1,000,000 per claims made

(c) Endorsements. Each insurance policy required by this Agreement shall be endorsed to contain the following provisions:

- This insurance shall not be changed, canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to **County of Orange/Community Services Agency/Special Programs Division, 1300 S. Grand, Bldg. B, Santa Ana, CA 92705**.
- If a 30 day notice of cancellation endorsement is not received, the cancellation clause must include language as follows which edits the pre-printed ACORD certificate:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.

- All rights of subrogation are hereby waived against the State of California, its elective and appointed officials, officers and employees, County of Orange, its elective and appointed officials, officers and employees, and the OCWIB when acting within the scope of their employment or appointment, and County and their Board or Commissions which are governed by the County Board of Supervisors. (Endorsement must be attached to Certificate of Insurance).
- The County of Orange and State of California shall be added as an additional insured on all insurance policies required by this contract with respect to work done by the contractor under the terms of this contract (except Workers' Compensation/Employers' Liability and Professional Liability). An additional insured endorsement evidencing that the County of Orange is an additional insured shall accompany the Certificate of Insurance.
- It is agreed that any insurance maintained by the State of California and the County of Orange will apply in excess of, and not contribute with, insurance provided by this policy. (Endorsement must be attached to Certificate of Insurance for the General Liability policy).
- Any losses shall be payable notwithstanding any act or failure or negligence of the State of California and the County of Orange, or any other person.
- Commercial General Liability policy shall contain a severability of interests clause.
- Contractor agrees to maintain Professional Liability Insurance, as appropriate, for a period of two years following completion of this Agreement.

The County shall retain the right at any time to review the coverage, form and amount of the insurance required hereby. If, in the opinion of the County, the insurance provisions in this Agreement do not provide adequate protection for County, County may require Contractor to obtain insurance sufficient in coverage,

form, and amount to provide adequate protection. County's requirements shall be reasonable and shall be designed to assure protection from and against the kind and extent of risks which exist at the time a change in insurance is required.

County shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable certificates of insurance and endorsements with County incorporating such changes within thirty (30) days of receipt of such notice, this Agreement may be in default without further notice to Contractor, and County shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

Required insurance information/documentation should be forwarded to:

Orange County Workforce Investment Board
1300 South Grand, Building B
Santa Ana, CA 92705
Attention: Contracts & Procurement

PATENT/COPYRIGHT MATERIALS/PROPRIETARY INFORMATION

31. CONTRACTOR agrees to grant the COUNTY, Federal and State governments a royalty-free, nonexclusive and irrevocable license to publish, copy, translate or use, now and hereafter, all materials, data, films, tapes, etc., developed under this AGREEMENT. The COUNTY, Federal, and State governments reserve the right to authorize others to use or reproduce such materials. Further, the COUNTY, Federal, and State governments shall have access to any report, preliminary findings or data assembled by CONTRACTOR under this AGREEMENT and shall retain ownership and patent rights to any discovery or invention under this AGREEMENT, as provided in 29 CFR 97.34 and 97.36(i)(8&9).

CORPORATE STATUS

32. All corporate CONTRACTORS shall be registered with the California Secretary of State and shall be in good standing, without suspension by the California Secretary of State, Franchise Tax Board, or Internal Revenue Service. Any change in corporate status or suspension shall be reported immediately to CSA.

STANDARDS OF CONDUCT

33. (a) General Assurance. Every reasonable course of action will be taken by CONTRACTOR in order to maintain the integrity of this expenditure of public funds and to avoid favoritism and questionable or improper conduct. This Agreement will be administered in an impartial manner, free from efforts to gain personal, financial or political gain. CONTRACTOR, its officers and employees, in administering this Agreement, will avoid situations which give rise to a suggestion that any decision was influenced by prejudice, bias, special interest or desire for personal gain.

(b) Employment of Former State or COUNTY Employees. CONTRACTOR will ensure that any of its employees who were formerly employed by the State of California or COUNTY, in a position that could have enabled such individuals to impact policy regarding or implementation of programs covered by this Agreement, will not be assigned to any part or phase of the activities conducted pursuant to this Agreement for a period of not less than two years following the termination of such employment.

(c) Conducting Business Involving Relatives. No relative by blood, adoption or marriage of any executive or employee of CONTRACTOR will receive favorable treatment when considered for enrollment in programs provided by, or employment with, CONTRACTOR.

(d) Conducting Business Involving Close Personal Friends and Associates. Executives and employees of CONTRACTOR will be particularly aware of the varying degrees of influence that can be exerted by personal friends and

associates and, in administering this Agreement, will exercise due diligence to avoid situations which give rise to an assertion that favorable treatment is being granted to friends and associates. When it is in the public interest for CONTRACTOR to conduct business with a friend or associate of an executive or employee of CONTRACTOR, an elected official in the area or a voting or non-voting member of the Workforce Investment Board (WIB), a permanent record of the transaction will be retained.

(e) Avoidance of Conflict of Economic Interest. No executive or employee of CONTRACTOR, elected official in the area, or voting or non-voting member of a WIB, will solicit or accept money or any other consideration from a third person, for the performance of an act reimbursed in whole or part by CONTRACTOR or COUNTY. Supplies, materials, equipment or services purchased with Agreement funds will be used solely for purposes allowed under this Agreement. No voting member of the WIB will cast a vote on the provision of services by that member (or any organization which that member represents) or vote on any matter which would provide direct financial benefit to that member or any business or organization which the member directly represents.

DRUG FREE WORKPLACE

34. CONTRACTOR shall execute and abide by the Drug Free Workplace Certification attached hereto as Exhibit E and incorporated herein by this reference.

DEBARMENT

35. CONTRACTOR certifies that it is not debarred or suspended or otherwise excluded from or ineligible for participation in Federal/State assistance programs in accordance with 29 C.F.R. Part 98.

SECTARIAN ACTIVITIES

36. CONTRACTOR certifies that this Agreement does not provide for the advancement or aid to any religious sect, church or creed, or sectarian purpose nor does it help to support or sustain any school, college,

university, hospital or other institution controlled by any religious creed, church, or sectarian denomination whatever, as specified by Article XVI, Section 5, of the California Constitution, regarding separation of church and state.

LITERATURE

37. Any literature distributed by CONTRACTOR for the purpose of apprising businesses, participants, or the general public of its programs under this Agreement shall state that its programs are supported by the County of Orange and the Orange County Workforce Investment Board, and shall state that the program is an "equal opportunity employer/program" and that "auxiliary aids and services are available upon request to individuals with disabilities."

LOBBYING

38. CONTRACTOR shall execute and abide by the terms of the "Certification Regarding Lobbying," which is attached hereto as Exhibit "F" and incorporated herein by this reference. CONTRACTOR shall complete and immediately forward to CSA the "Disclosure Form to Report Lobbying," a copy of which is attached hereto as Exhibit "G", if CONTRACTOR, or any person, firm or corporation acting on CONTRACTOR'S behalf, engaged or engages in lobbying any federal officer, employee, elected official or agency with respect to this Agreement or the funds to be received by CONTRACTOR pursuant to this Agreement.

BREACH - SANCTIONS

39. If, through any cause, CONTRACTOR violates any of the terms and conditions of this Agreement, or any prior Agreements whereby grant funds were received by CONTRACTOR, or if CONTRACTOR reports inaccurately, or if an audit report makes disallowances, CONTRACTOR shall promptly remedy its acts or omissions and/or repay COUNTY all amounts due COUNTY as a result thereof. For any such failures or violations COUNTY shall also have the right, at its sole discretion, to: (1) immediately discontinue program support until such time as CONTRACTOR fulfills its obligations or remedies all violations of this Agreement or prior Agreements; and/or (2) collect outstanding amounts, as determined by

CSA to be due COUNTY from CONTRACTOR, by offsetting or debiting from current claims or invoices, if after thirty (30) days written notice CONTRACTOR has failed to repay same or a repayment schedule has not been made; and/or (3) terminate this Agreement in accordance with Section 40 herein.

DISPUTES

40. Except as otherwise provided in this Agreement, any dispute concerning any question arising under this Agreement shall be decided by CSA. In such a case, CSA shall reduce its decision to writing and mail or otherwise furnish a copy thereof to CONTRACTOR. The decision of CSA shall be final and conclusive unless within thirty (30) calendar days from the mailing or delivery of such copy, CSA receives from CONTRACTOR a written request to appeal said decision. Pending final decision of the appeal, CONTRACTOR shall act in accordance with the written decision of CSA.

The handling of non-criminal complaints, including discrimination complaints, and complaints and reports of criminal fraud, waste and abuse shall be as prescribed by the COUNTY, and/or the State of California, and/or the Department of Labor, whichever is/are applicable, in accordance with applicable provisions of the Code of Federal Regulations.

TERMINATION

41. COUNTY may terminate this Agreement, with or without cause upon thirty (30) days written notice served upon the other party. Notice shall be deemed served on the date of mailing.

Upon termination, or notice thereof, CONTRACTOR agrees to cooperate with COUNTY in the orderly transfer of service responsibilities, active case records, and pertinent documents.

The obligations of COUNTY under this AGREEMENT are contingent upon the availability of Federal and/or State funds, as applicable, for the reimbursement of CONTRACTOR's expenditures, and inclusion of sufficient funds for the services hereunder in the budget approved by the Orange County Board of Supervisors each fiscal year this Agreement remains in effect or operation. In the event that such funding is terminated or reduced, COUNTY shall provide

CONTRACTOR with written notification of such determination. CONTRACTOR shall immediately comply with COUNTY's decision.

LIQUIDATED DAMAGES

42. It is agreed by and between the contractor and the County that if this contract is not fully and completely performed within the terms of the contract, damage will be sustained by the County. Said damage includes any additional costs resulting from a delay in scheduled time frames by the contractor. Since it is and will be impractical and extremely difficult to determine the actual damage which the County will sustain by reason of such delay, it is therefore agreed that contractor will pay to the County liquidated damages in a set amount for each and every day of delay as set forth in this document. Liquidated damages shall be assessed as 1/260 of the contract amount per day.

In the event the liquidated damages as set forth herein are not paid by the contractor, the County will deduct the amount of liquidated damages from any monies due contractor under this contract.

This provision may be invoked at the sole option of the County by notification to the contractor by certified return receipt mail.

If contract is delayed by reason of changes or extra services ordered by the County or as a result of the County's failure to perform or delays caused by the County, the time of performance of this contract will be extended commensurate with the time required for the extra services, and no liquidated damages will accrue during the period of such extension.

TOTAL AGREEMENT

43. This Agreement, together with the attachments hereto, expresses the total understanding of the parties. There are no oral understandings of the parties or terms and conditions other than as are stated herein. CONTRACTOR acknowledges that it has read and agrees to all terms and conditions included in this CONTRACT.

CHILD SUPPORT ENFORCEMENT

44. In order to comply with child support enforcement requirements of the County of Orange, within 30 days of award of contract, CONTRACTOR must furnish to CSA:

(a) The name, date of birth, Social Security number, and residence address of each individual who owns an interest in 10 percent or more in CONTRACTOR, and a certification that CONTRACTOR has fully complied with all applicable federal and state reporting requirements regarding its employees; and

(b) A certification that CONTRACTOR has fully complied with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment and will continue to so comply.

(c) The certification will be stated as follows:

"I certify that _____ is in full compliance with all applicable federal and state reporting requirements regarding its employees and with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments and will continue to be in compliance throughout the term of any contract issued pursuant to this Request for Proposal process with the County of Orange. I understand that failure to comply shall constitute a material breach of this Agreement and that failure to cure such breach within 60 calendar days of notice from the County shall constitute grounds for termination of the Agreement.

It is expressly understood that this data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders and for no other purposes and will be held confidential by those agencies.

Failure of CONTRACTOR to timely submit the data and/or certifications required above or to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment shall constitute a material breach of this Agreement. Failure to cure such breach within sixty (60) days of notice from COUNTY shall constitute grounds for termination of this Agreement.

NOTICES

45. All notices, reports and correspondence between the parties hereto respecting this Agreement shall be in writing and deposited in the United States Mail, postage prepaid, addressed as follows:

COUNTY: Community Services Agency
Special Programs Division
1300 South Grand Avenue
Building "B"
Santa Ana, California 92705

and

CONTRACTOR:

IN WITNESS WHEREOF, the parties hereto certify that they have read and understand all the terms and conditions contained herein and have duly authorized and caused this Agreement to be executed as of the date stated below written.

"COUNTY OF ORANGE a political
Subdivision of the State of
California"

Dated: _____

By _____

Title Chair, Board of Supervisors

"CONTRACTOR"

Dated: _____

By _____

Title _____

Dated: _____

By _____

Title _____

APPROVED AS TO FORM:
County Counsel

By: _____
Karen Prather, Deputy

SIGNED AND CERTIFIED THAT A COPY OF THIS AGREEMENT HAS BEEN DELIVERED TO THE
CHAIR OF THE BOARD

Darlene J. Bloom

Clerk of the Board of Supervisors of
Orange County, California
Dated:

LIST OF EXHIBITS

EXHIBIT A	GENERAL PROGRAM REQUIREMENTS
EXHIBIT B	STATEMENT OF WORK
EXHIBIT C	PERFORMANCE STANDARDS
EXHIBIT D	BUDGET SCHEDULE
EXHIBIT E	DRUG FREE
EXHIBIT F	LOBBY CERTIFICATE
EXHIBIT G	DISCLOSURE
EXHIBIT H	CHILD SUPPORT ENFORCEMENT PROVISION

(FOR PROFIT PROVIDERS ONLY)