

**Agreement between the  
Monterey County Workforce Development Board (WDB) and  
Arbor E&T, LLC, dba Equus Workforce Solutions, for  
Provision of WIOA One-Stop Operator Services**

**I. DECLARATION**

This Agreement is entered into by and between the MONTEREY COUNTY WORKFORCE DEVELOPMENT BOARD, (hereinafter referred to as “WDB”) and Arbor E&T, dba Equus Workforce Solutions (hereinafter referred to as “Contractor”).

The purpose of this Agreement is to formalize the working relationship and establish the roles and responsibilities of the WDB and Contractor, as required by the Workforce Innovation and Opportunity Act (WIOA), for One-Stop Operator services.

The scope of services of this Agreement is specified in Exhibit A. The budget of this Agreement is specified in Exhibit B. Exhibits A through F are incorporated herein by reference.

**II. BACKGROUND**

The Monterey County WDB, created by the WIOA, is charged with overseeing the allocation of WIOA funds and oversight of the WIOA funded program operations of the America’s Job Center of California (AJCC) / One-Stop delivery system in Monterey County.

By entering into this Agreement, Contractor agrees to provide One-Stop Operator services for jobseekers, employers/businesses, and WIOA-mandated One Stop partners. Contractor agrees to adhere to all Monterey County Workforce Development Board policies set forth in Exhibit E.

**III. GENERAL AREA OF RESPONSIBILITY**

The general areas of responsibility between the parties to this Agreement and the scope of services to be provided are detailed in Exhibit A of this Agreement. Pursuant to Exhibit A, the parties expressly agree that Contractor shall be bound to comply with all the requirements of the WIOA as set forth in Exhibits A and D, and that the WDB shall oversee such activities.

This document and Exhibits A through F contain the entire Agreement of the parties and supersedes all negotiations, verbal or otherwise and any other agreement or any established practice(s) between the parties hereto.

## **IV. GENERAL PROVISIONS**

### **A. TERM**

This Agreement shall be effective retroactive to **July 1, 2022** and remain in full force and effective through **June 30, 2023**, unless sooner terminated as provided herein. WDB may terminate this Agreement by giving thirty (30) days' written notice to Contractor, with or without cause. If WDB terminates this Agreement, WDB may proceed to direct available funding to another provider for the One-Stop Operator, subject to review and approval by the Chief Elected Official for the local Monterey County Workforce Development area, the Monterey County Board of Supervisors. This Agreement is contingent upon available funding.

In accordance with the WIOA, the WDB shall have the right to renew this Agreement without further solicitation of bids for three (3) additional one (1) year terms, for 2023-24, 2024-25, and 2025-26, with thirty (30) days written notice to Contractor before the expiration of the initial term or the current renewal term of the Agreement. A renewal determination will be made by the WDB, contingent upon the satisfactory achievement of agreed upon performance measures, availability of funding, and agreement to the renewal determination by the WDB and the Chief Elected Official – the Monterey County Board of Supervisors – of the local Monterey County workforce development area. In the event the Monterey County WDB exercises its right of renewal, all terms and conditions, requirements and specifications of this Agreement shall remain substantially the same and apply during the renewal terms. This Agreement will not automatically renew.

### **B. CONTRACT ADMINISTRATORS**

Contractor hereby designates Regional Director Adrineh Terantonians of Arbor E&T, LLC, dba Equus Workforce Solutions, as its Contract Administrator for this Agreement. All matters concerning this Agreement which are within the responsibility of Contractor shall be under the direction of, or shall be submitted to Arbor E&T's Contract Administrator.

WDB hereby designates the Executive Director of the WDB as its Contract Administrator for this Agreement. All matters concerning this Agreement which are within the responsibility of WDB shall be under the direction of, or shall be submitted to the WDB Contract Administrator.

Either party may change its designated Contract Administrators upon giving notice pursuant to Section G - Notice.

### **C. FISCAL / REPORTING**

1. Funding available for the project term of July 1, 2022 through June 30, 2023 is \$125,000. The budget summary is attached as Exhibit B.
2. WDB shall serve as the fiscal agent for this Agreement and as such will bear primary responsibility for expenditure reporting to the State, processing of Contractor's reimbursements, and tracking of funds.

3. Subject to receipt of funds from the State, the WDB shall approve the reimbursement for services rendered as outlined in Exhibit B of this Agreement. The WDB will provide Contractor with the invoice format for submitting monthly claims for reimbursement. WDB shall reimburse Contractor for allowable expenditures claimed, within forty-five (45) days after timely receipt of Contractor's properly completed and documented invoice for reimbursement or as soon thereafter as is reasonable, provided that Contractor is following the terms and conditions of this agreement. Contractor may not assign any additional costs or fees to any participants or other funding sources outside those identified within this Agreement.
4. Contractor's invoice to request reimbursement for costs incurred must report all expenses as either Adult, Dislocated Worker, or Youth. This reporting category may change based on direction from the State of California's Employment Development Department. WDB will notify Contractor of any changes.
5. Contractor will provide services under this Agreement and manage the program and service delivery to the target customer population as set forth in the attached Exhibit A, Scope of Services.

#### **D. COMMUNICATION**

Contractor shall provide the specified services through processes established by the WDB and in compliance with applicable local, State, and Federal regulations. Contractor shall provide all duties and services to system partners, job seekers, and employers/businesses as specified in the attached Exhibit A. Meetings between Contractor and WDB shall be scheduled, as needed, to discuss Contractor performance and other issues that affect either party to this Agreement.

Contractor shall work cooperatively with the WIOA Title I Adult, Dislocated Worker and Youth service providers appointed by the WDB, as well as all partners specified in the MOU, found online at [19-0888 - WIOA Partner MOU \(montereycountywdb.org\)](https://www.montereycountywdb.org).

At a minimum, during the term of this Agreement, Contractor will provide management reports to the WDB no later than one week prior to the meeting of the WDB committees for the reporting month. Contractor shall use the monthly report template provided by the WDB and included as Exhibit C to outline customer visits, partner referrals, and customer satisfaction results achieved to date, and shall be used by the WDB in assessing program performance.

#### **E. INDEMNIFICATION**

Contractor shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorney's fees) occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm or corporation for damage, injury, or death arising out of or connected with the Contractor's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the

County. "Contractor's performance" includes Contractor's action or inaction and the action or inaction of Contractor's officers, employees, agents, and subcontractors.

## F. INSURANCE

Evidence of Coverage: Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to Monterey County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such insurance has been approved by Monterey County. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

Qualifying Insurers: All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

Insurance Coverage Requirements: Without limiting Contractor's duty to indemnify, Contractor shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

**Commercial General Liability Insurance**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

**Business Automobile Liability insurance**, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

**Workers' Compensation Insurance**, if Contractor employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than statutory limits or \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

**Professional Liability Insurance**, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the Contractor shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall

continue for at least three years following the expiration or earlier termination of this Agreement.

Other Insurance Requirements: All insurance required by this Agreement shall be with a company acceptable to the WDB and Monterey County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date Contractor completes its performance of services under this Agreement.

Each liability policy shall provide that the WDB and Monterey County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the WDB and Monterey County, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the WDB and Monterey County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the WDB, Contractor shall file certificates of insurance with the Monterey County's Contract Administrator and Contracts/Purchasing Division, showing that the Contractor has in effect the insurance required by this Agreement. The Contractor shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

Contractor shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by the WDB and Monterey County, annual certificates to Monterey County's Contract Administrator and Monterey County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, the WDB or Monterey County shall notify Contractor and Contractor shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by Contractor to maintain such insurance is a default of this Agreement, which entitles the WDB, at its sole discretion, to terminate this Agreement immediately.

## **G. NOTICE**

Notice to the parties in connection with this Agreement shall be given personally, by email or by regular mail addressed to each of the following:

Regional Director Adrineh Terantonians  
Arbor E&T, dba Equus Workforce  
Solutions

Executive Director  
Monterey County  
Workforce Development Board (WDB)

344 Salinas Street  
Salinas, CA 93901  
(818) 480-1109  
Adrineh.Terantonians@EquusWorks.com

344 Salinas Street, Suite 101  
Salinas, CA 93901  
Phone (831) 759-6644  
[Donnellyc@co.monterey.ca.gov](mailto:Donnellyc@co.monterey.ca.gov)

With a notice copy to:  
Office of General Counsel  
805 N. Whittington Pkwy.  
Louisville, KY 40222

## **H. CONSTRUCTION, INTERPRETATION AND INTEGRATION OF AGREEMENT**

WDB and Contractor agree that each party has fully participated in the review and drafting of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control. This Agreement shall be governed by and interpreted under the laws of the State of California and U.S. Department of Labor. Venue of litigation arising under this Agreement shall be in the Superior Court of California, Monterey County.

## **I. NON-EXCLUSIVE AGREEMENT**

This Agreement is non-exclusive. The WDB expressly reserves the right to contract with other entities for provision of the same or similar services.

## **J. EXHIBITS**

The following exhibits are attached hereto and incorporated by reference:

1. Exhibit A – Scope of Services
2. Exhibit B – Budget Summary
3. Exhibit C – Monthly Reporting Template
4. Exhibit D – WIOA Compliance, Certifications, and Assurances
5. Exhibit E – Workforce Development Board Policies
6. Exhibit F – Addendum

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first herein above written.

BY \_\_\_\_\_ Date \_\_\_\_\_  
Christopher Donnelly  
Executive Director  
Monterey County Workforce Development Board

BY \_\_\_\_\_ Date \_\_\_\_\_  
Mark Douglass  
President  
Equus Workforce Solutions

**EXHIBIT A**  
**SCOPE OF SERVICES**  
WIOA One Stop Operator  
July 1, 2022 through June 30, 2023

- I. **PROJECT OVERVIEW:** The purpose of this agreement is to formalize the working relationship and establish the roles and responsibilities of the Monterey County Workforce Development Board (WDB) and Arbor E&T, dba Equus Workforce Solutions (Contractor), for the provision of WIOA One-Stop Operator services. The Workforce Innovation and Opportunity Act (WIOA) establishes a requirement that WIOA programs be coordinated by a One Stop Operator.
- II. **PROJECT PERIOD:** July 1, 2022 through June 30, 2023.
- III. **COORDINATION OF SERVICES AND DESIGNATED SERVICE AREAS:** Contractor shall carry out One Stop Operator services for the America’s Job Center of California (AJCC)/One-Stop delivery system in Monterey County at the following designated service areas, by ensuring WIOA One-Stop services are available to customers.

The WDB expects that Contractor will have a full-time physical presence at the comprehensive AJCC/One-Stop and the new Business Services Center in Salinas, and will provide oversight of the two satellite locations in Marina and Seaside, and will fulfill its responsibilities in coordination with and under the direction of the WDB.

Service Site	Address	Phone	Hours of Operation
<b>Salinas Comprehensive AJCC</b>	344 Salinas Street, Salinas, CA 93901	(831) 796-3600	Monday – Friday 8 a.m. to 5 p.m. Evening hours to be arranged.
<b>Business Services Center</b>	344 Salinas Street, Salinas, CA 93901	(To be arranged.)	Monday – Thursday 8 a.m. to 7 p.m. Evening hours to be arranged.
<b>Marina Satellite AJCC</b>	Monterey Peninsula College Education Center, 298 12 <sup>th</sup> Street, Marina 93933	(831) 587-2858	Monday – Friday 9 a.m. to 7 p.m.
<b>Seaside Satellite AJCC</b>	Monterey Adult School 1295 La Salle Avenue, Seaside, CA 93955	(831) 356-8186	Monday – Friday 8:30 a.m. to 5 p.m. Evening hours to be arranged.

**IV. DUTIES AND RESPONSIBILITIES:**

**A. One Stop Operator Role and Responsibilities:**

The primary functions of the One-Stop Operator are to ensure coordination of partners within the Monterey County AJCCs, ensure the smooth daily operation of the AJCCs, coordinate the delivery of career services and other WIOA services between all AJCC/One-Stop providers, and to communicate and coordinate regarding the same with WDB staff. The WDB defines Contractor’s responsibilities as follows, in accordance with WIOA requirements and WDB priorities:

- i. Provide functional coordination of all AJCC/One-Stop delivery system required services, including all services provided by entities that have entered the partner Memorandum of Understanding (MOU), in accordance with WIOA. The MOU can be located online at: [www.montereycountywdb.org](http://www.montereycountywdb.org);



- ii. Coordinate with the MCWDB's Adult and Dislocated Worker program provider and other AJCC system stakeholders to mitigate the health-related impacts of Covid-19 and large numbers of business clients and job seekers while ensuring equitable access to services;
- iii. Coordinate AJCC/One-Stop activities with WDB staff;
- iv. Provide oversight for a new Business Services Center at 344 Salinas Street.
  - a. Coordinate Business Services Center activities with WDB and service provider staff.
- v. Foster an integrated organizational structure that is market driven and offers value-added services to job seekers;
- vi. Promote AJCC/One-Stop partner participation in collective accountability that recognizes system-wide WIOA Common Measures performance outcomes in addition to individual partner program outcomes;
- vii. Provide AJCC/One-Stop partners with information and communication needed for their optimal performance as part of the AJCC/One-Stop delivery system;
- viii. Maintain AJCC and Business Services Center customer satisfaction ratings of 95% or higher by working closely with the WDB Executive Director, the WDB's service providers and One Stop partners.
- ix. Serve as the lead and attend all meetings of Monterey County WDB's Continuous Quality Improvement (CQI) teams. The One Stop Operator will develop an integrated services process with customer flows driven by feedback from both business/employer and job seeker customers, in addition to performing the specific CQI-related services described in Section F, One Stop Operator Continuous Quality Improvement (CQI) Activities.
- x. Promote adoption of creative and innovative methods and best practices in the delivery of required services;
- xi. Ensure that the comprehensive AJCC meets the certification requirements as detailed in the Workforce Services Directive WSD20-08, AJCC Comprehensive and Affiliate/Specialized Certification: [AJCC Comprehensive and Specialized Certification - Directive Template.docx](#).
- xii. Support WDB initiatives by coordinating with the AJCC/One-Stop partners to direct customers to career pathways in identified priority industry sectors;
- xiii. Assure the delivery of services to individuals at the AJCC/One-Stop with limited English proficiency, disabilities, or other significant barriers;
- xiv. Educate partners on, and assist to implement and certify the use of WDB approved internal operational policies and guidelines governing the AJCC/One-Stop (e.g., days/hours of operation, customer service expectations, etc.) that will outline the responsibilities and objectives of the AJCC/One-Stop partners;
- xv. Ensure that AJCC/One-Stop partners follow and maintain compliance with any current and future WDB policies, especially those that concern Equal Opportunity in the provision of and access to AJCC/One-Stop services, and the Americans with Disabilities Act to ensure the AJCC/One-Stop is accessible to individuals with disabilities;
- xvi. Enforce Monterey County WDB procedural, conduct, and appearance policies governing the AJCCs

- xvii. Ensure that all partners co-located at the AJCC/One-Stop implement and execute priority of service for qualifying veterans and/or their eligible spouses; recipients of public assistance; other low-income individuals; or individuals who are basic skills deficient;
- xviii. Ensure monthly achievement of the performance-based outcomes agreed upon by the Contractor and WDB, to be evaluated quarterly for performance-based outcome payment purposes. Contractor understands and agrees that a portion of compensation for services rendered pursuant to this agreement, in the total amount of \$12,000, is based on Contractor achieving or exceeding the following performance-based outcomes each month as shown on the Performance-Based Outcome table in Exhibit B, Budget Summary. It is understood by the parties that Contractor's failure to meet the performance goals listed below will result in the reduction of Contractor's compensation:
  - a. Collect customer satisfaction surveys for all AJCC locations and provide monthly reports to the WDB on survey results;
  - b. Provide monthly reports on partner responsibilities and contributions per the MOU; and
  - c. Provide monthly and quarterly partner meetings and status reports.
- xix. Identify professional development needs of workforce system staff and coordinate staff training with WDB Regional Training Coordinator to ensure AJCC/One Stop partners can adequately perform assigned roles and have functional knowledge of the policies, procedures, and unique characteristics of all co-located partner programs while maintaining cultural competency;
  - a. All Title 1 staff, including the One Stop Operator, are required to have a minimum of 40 hours per year of professional development relating to WIOA-funded services, which may include, without limitation, training in the following topic areas:
    - WIOA eligibility, policies and procedures, and performance measurement
    - Providing WIOA services in a virtual environment
    - Connecting WIOA customers to career pathways
    - Continuous quality improvement of WIOA services
  - b. This training will be coordinated by the Regional Training Coordinator or his/her designee;
- xx. Ensure non-discrimination and equal opportunity in all programs and services delivered at the AJCC/One-Stop. No individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment based on race, color, religion, sex, national origin, disability, age, political affiliation, marital status, sexual orientation or identity, medical conditions or military/veteran status, and each customer shall have such rights as are available under any applicable federal, state, or local law prohibiting discrimination;
- xxi. Support any other Monterey County WDB grant-funded projects or initiatives.

## **B. WDB Role and Responsibilities:**

The Monterey County WDB, a government entity created by WIOA, is charged with overseeing the allocation of WIOA funds and the WIOA-funded program operations of the America's Job Center of California (AJCC/One Stop delivery system in Monterey County. The WDB shall:

- i. Provide Contractor with information and guidance on the Local and Regional Plan and priorities;

- ii. Provide Contractor with labor market and industry cluster information, especially on targeted industry clusters of interest to the WDB and high priority occupations;
- iii. Keep the Contractor informed on industry partnerships, incumbent worker grants, and other discretionary and/or competitive funds obtained, and activities conducted with those funds;
- iv. Provide Contractor with reports on oversight monitoring and evaluation of AJCC/One-Stop partners and activities;
- v. Keep Contractor fully apprised on WDB policies and initiatives; and
- vi. Assess Contractor's performance. If the Contractor is not meeting expected performance levels, WDB staff may impose corrective action plans, sanctions and/or conduct additional monitoring to ensure that Contractor meets performance outcomes. Contractor's failure to meet expected performance levels is cause of termination of this agreement.

**C. One Stop Operator Coordination of Partners:**

- i. Communication: Contractor is the point of contact regarding issues that are substantive to the AJCC/One-Stop partners regarding the operations in the AJCC/One-Stop.
- ii. Partner Meetings: Contractor shall work with WDB staff to convene and facilitate regular partner meetings to address issues affecting the delivery of services (e.g., partner collaboration, process improvement, improvement of customer service, development of Career Pathways, etc.).  
Specifically, Contractor shall:
  - 1) Convene partner meetings on a (to-be) determined schedule to discuss and share general information; updates to the WIOA and local programs; AJCC/One-Stop visitor traffic and activities; performance outcomes; and continuous improvement recommendations;
  - 2) Ensure meeting dates, times, and locations are mutually agreed upon by attendees;
  - 3) Provide meeting notes to attendees after each meeting;
  - 4) Ensure relevant stakeholders are invited and engaged; and
  - 5) Report back to the WDB on any specific projects/initiatives/data, as requested.
  - 6) Develop a schedule and invite list for partner meetings by October 15, 2022.
- iii. Customer Service Flow: Contractor will develop, in coordination with system partners and parties to the partner MOU, a customer service flow chart for the AJCC by October 15, 2022.
- iv. Performance: Contractor is responsible for assisting the AJCC/One Stop partners to achieve WIOA common performance outcomes.
- v. Staff Training: In coordination with the designated Regional Training Coordinator, Contractor will develop a training plan to include initial and ongoing training topics and schedule of projected training dates by October 15, 2022.

**D. One Stop Operator and Referrals to WIOA Partners:**

Contractor is a mandated partner in the America's Job Center of California (AJCC) / One-Stop delivery system. As such, Contractor is part of a continuum of services and must work in collaboration with WIOA required partners, as required under the Memorandum of Understanding (MOU) between the WDB and the partners of the AJCC / One-Stop delivery system. Contractor will be expected to develop or maintain appropriate mechanisms of referrals to ensure that participants can access the services that they require to support their success. Contractor will be expected to identify areas of participant need apart from WIOA services and to refer participants to appropriate agencies to mitigate their needs. Reference Partners & Community Links online at: [www.montereycountywdb.org/partners/](http://www.montereycountywdb.org/partners/).

**E. One Stop Operator Reporting:**

- i. At a minimum, during the term of this Agreement, Contractor will provide management reports to the WDB no later than one week prior to the meeting of the WDB committees for the reporting month. Contractor will be required to report its monthly performance using Exhibit C – Monthly Reporting Template, of this agreement. Contractor will meet the goal of submitting all monthly updates no later than the close of business on the due date.
- ii. Contractor will track and report monthly to the WDB on the following measures:
  1. AJCC/One-Stop visitor traffic, overall usage, and service information;
  2. Referrals to AJCC/One-Stop partner agencies;
  3. Customer satisfaction for business/employers and job seekers;
  4. AJCC/One-Stop partner training participation; and
  5. Operations, performance and continuous improvement opportunities/recommendations.
- iii. Contractor is responsible for assisting the AJCC/One-Stop partners with reporting the WIOA Common Measures performance outcomes.
- iv. Contractor shall submit a closeout packet to the WDB fiscal staff within fifteen (15) days of receipt of final payment on this agreement. The closeout packet will consist of closeout summary of WIOA expenditures, subrecipient release form, subrecipient assignment of funds, rebates and credits form, property certification form and property inventory listing (as applicable). The forms will be provided by WDB staff prior to the closeout period. Submission of the closeout documents does not prevent WDB from collecting any disallowed costs uncovered during an audit.
- v. Contractor will submit additional reports upon request by WDB staff.
- vi. In addition, regional collaboration and reporting will be required under WIOA. Contractor will be required to participate in regional workforce development tasks. The level of participation and roles that Contractor will play will be determined by the WDB.
- vii. WDB will be responsible for reporting to the State and will field all requests from the Chief Elected Official—the County Board of Supervisors, WDB members, the media, and other interested stakeholders. Contractor will be expected to respond to reporting requests made by the WDB in a prompt and timely manner.

**F. One Stop Operator Continuous Quality Improvement (CQI) Activities:**

Contractor shall perform ongoing analyses of AJCC/One Stop operations and shall conduct appropriate problem solving, continuous improvement, and corrective action activities to include:

- i. Contractor will develop a customer satisfaction survey and other satisfaction measurement tools for presentation to and approval by the Executive Committee on or before October 15, 2022.

- ii. Contractor will identify and convene partners for participation in a CQI team.

**G. Evaluation of Contractor**

Authorized Federal, State and County representatives shall have the right to monitor, assess, or evaluate Contractor's performance pursuant to this agreement by any means including, but not limited to, inspections of premises, records, reports, audits, and interviews with Contractor, Contractor's employees and agents, and WIOA participants.

**H. Records and Audits of Contractor:**

- i. **Establishment and Maintenance of Records:** Contractor shall maintain records, including, but not limited to books, financial records, supporting documents, statistical records, personnel, property, and all other pertinent records sufficient to properly reflect:
  - 1. All direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of this agreement; and
  - 2. All other matters covered by this agreement. Such records shall be maintained in accordance with requirements now or hereafter prescribed by the WDB.
- ii. **Preservation of Records:** Contractor shall preserve and make available its records for three (3) years from the date of final payment of this agreement. If at the end of the three (3) years, there is litigation or an audit involving those records, Contractor will retain records until the resolution of such litigation or audit.

**I. Branding:**

WIOA-funded programs will follow federal, state, and WDB branding guidelines. Contractor will not use its brand or promote its own organization without the explicit permission of the WDB. Contractor shall use WDB approved logo in all promotional, advertisement, and program related materials relative to the services under this agreement. All materials shall acknowledge the WDB and its role as the source of funding.

**J. Budget Modification:**

If Contractor requests, in writing, a change in Exhibit B – Budget Summary, the WDB's Executive Director, or his or her designee, may authorize, in writing, adjustments of the dollar amount to cost categories or any line item, so long as the total amount of compensation under this agreement remains unchanged. A written request for a budget modification will not be required as long as Contractor is within 10% of the line item in question. Budget modifications or transfer of funds affecting performance benchmarks is prohibited.

**K. Dispute Resolution**

Contractor shall identify and facilitate the timely resolution of complaints, problems, and other issues, by following the dispute resolution process outlined in the partner MOU, accessible online at: [www.montereycountywdb.org](http://www.montereycountywdb.org).

**EXHIBIT B**  
**BUDGET SUMMARY**  
WIOA One Stop Operator  
July 1, 2022 through June 30, 2023

ONE-STOP OPERATOR WORKFORCE INNOVATION AND OPPORTUNITY ACT	
<b>Organization:</b>	Arbor E&T, LLC dba Equus Workforce Solutions
<b>Contract Year</b>	July 1, 2022 through June 30, 2023

OPERATING COSTS				
A. SALARIES AND FRINGE BENEFITS	Salary	FTE Allocated to Contract		Total Cost to Contract
Position Title				
One-Stop Operator	70,000	100.00%		\$ 70,000
Project Accountant	95,000	10.00%		\$ 9,500
Fringe Benefits			24.00%	\$ 19,080
<b>Subtotal Salaries and Fringe Benefits</b>				<b>\$ 98,580</b>
B. OTHER OPERATING				
Advertising				\$ -
Audit				\$ 189
Insurance				\$ 434
Payroll fees				\$ 250
Other (Quickbase fees)				\$ 420
Postage				\$ -
Staff Development				\$ -
Staff Travel				\$ 1,878
Supplies (Not Testing)				\$ 570
Telephone				
Other (Equipment)				\$ -
<b>Subtotal Other Operating</b>				<b>\$ 3,741</b>
<b>C. Indirect Cost 10.43%</b>				<b>\$ 10,679</b>
<b>D. Profit</b>				<b>\$ 12,000</b>
<b>TOTAL BUDGET</b>				<b>\$ 125,000</b>

### One Stop Operator (OSO) Performance-Based Outcome Budget

(See above OSO Line-Item Budget, Section D. Profit)

This budget pertains to the period from July 1, 2022 through June 30, 2023 and provides payment amounts for each quarterly performance-based outcome as described in the table below.

<b>One Stop Operator Performance-Based Outcome Goals for July 1, 2022 through June 30, 2023</b>	<b>Amount Payable per Quarter</b>	<b>Total Fee</b>
1. Collect customer satisfaction surveys for all AJCC locations and provide monthly reports to WDB on survey results.	\$1,000	\$4,000
2. Provide monthly reports on partner responsibilities and contributions per MOU.	\$1,000	\$4,000
3. Provide monthly and quarterly partner meetings and status report.	\$1,000	\$4,000
<b>Total Performance-Based Compensation Payment Available</b>		<b>\$12,000</b>

## Sample Invoice

WIOA OSO 2022-23	
<b>Monterey County Workforce Development Board</b> c/o Fiscal Manager 168 West Alisal Street, 3rd Floor Salinas, CA 93901  <b>Agency:</b> Name of Agency here Address of agency here City, State, Zip code	<b>Invoice #:</b> 100  <b>Date:</b> September 1, 2022  <b>Expenditure for the month of:</b> Jul-22

Budget Item	Current Expenditures	YTD Expenditures	Total Budget	Remaining Budget	% Expended
<b>A. Salaries and Fringe Benefits</b>					
Salaries	\$0.00	\$0.00	\$0.00	\$0.00	0%
Fringe Benefits	\$0.00	\$0.00	\$0.00	\$0.00	0%
<b>B. Other Operating</b>					
Advertising		\$0.00	\$0.00	\$0.00	0%
Audit		\$0.00	\$0.00	\$0.00	0%
Insurance		\$0.00	\$0.00	\$0.00	0%
Payroll fees		\$0.00	\$0.00	\$0.00	0%
Other (Quickbase fees)		\$0.00	\$0.00	\$0.00	0%
Postage		\$0.00	\$0.00	\$0.00	0%
Staff Development		\$0.00	\$0.00	\$0.00	0%
Staff Travel		\$0.00	\$0.00	\$0.00	0%
Supplies (Not Testing)		\$0.00	\$0.00	\$0.00	0%
Telephone		\$0.00	\$0.00	\$0.00	0%
Other (Equipment)		\$0.00	\$0.00	\$0.00	0%
<b>C. Indirect Costs</b>	\$0.00	\$0.00	\$0.00	\$0.00	0%
<b>D. PBO/Profit</b>	\$0.00	\$0.00	\$0.00	\$0.00	0%
<b>TOTAL BUDGET</b>	\$0.00	\$0.00	\$0.00	\$0.00	0%

Monthly Obligations:	
Monthly Program Income:	
Accrued Expenditures:	



**EXHIBIT C**

**MONTHLY REPORTING TEMPLATE**

One Stop Operator Services  
July 1, 2022 through June 30, 2023

<i>Reporting Month:</i>	<b>Current Month</b>			<b>Year To Date</b>		
	Salinas	Marina	Seaside	Salinas	Marina	Seaside
<b>1. Number of AJCC visits</b>						
<b>2. Number of AJCC visits by partner, as follows:</b>						
EDD						
DOR						
WIOA - Adult						
WIOA - DW						
WIOA - Youth						
CalWORKS (TANF)						
Adult Education						
Community College						
Senior Community Svcs Employment Program						
<i>Other Partners:</i>						
<i>Other Partners:</i>						
<b>3. Number of referrals to partners, as follows:</b>						
EDD						
DOR						
WIOA - Adult						
WIOA - DW						
WIOA - Youth						
CalWORKS (TANF)						
Adult Education						
Community College						
Senior Community Svcs Employment Program						
<i>Other Partners:</i>						
<i>Other Partners:</i>						
<b>4. Customer satisfaction rating, as follows:</b>						
Job Seekers surveys completed						
Businesses surveys completed						
% of customers satisfied with AJCC						

WIOA - Workforce Innovation and Opportunity Act (WIOA) Title I

AJCC - America's Job Center of California (AJCC) / One-Stop delivery system, located in Monterey County

EDD - Employment Development Department

DOR - Department of Rehabilitation

## EXHIBIT D

### GENERAL CONDITIONS, ASSURANCES AND CERTIFICATIONS WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

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The following applies to all programs and/or projects funded under the Workforce Innovation and Opportunity Act (WIOA) conducted by Arbor E&T, LLC, hereinafter referred to as "Contractor."

#### 1. COMPLIANCE

In performance of this Agreement, Contractor will fully comply with:

- a. The provisions of the Workforce Innovation and Opportunity Act (WIOA), (29 U.S.C. §§ 3101- 3361 (2014), WIOA Final Regulations, and all legislation, regulations, directives, policies, procedures and amendments issued pursuant thereto.
- b. All State legislation and regulations to the extent permitted by federal law and all policies, directives and/or procedures, which implement WIOA.
- c. Title 2, Code of Federal Regulations (C.F.R.) part 200 (Office of Management and Budget Guidance) [OMB Guidance].
- d. Title 2, C.F.R. Part 2900 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) [Uniform Requirements].
- e. The provisions of the Jobs for Veterans Act (Pub. L. No. 107-288), including the requirement to provide priority service to veterans and spouses of certain veterans for the receipt of employment, training, and placement services in any job training program directly funded, in whole or in part, by the DOL.
- f. Contractor will ensure diligence in managing programs under this subgrant agreement, including performing appropriate monitoring activities and taking prompt corrective action against known violations of WIOA.

#### 2. CERTIFICATIONS / ASSURANCES

Except as otherwise indicated, the following certifications apply to all Contractors.

- a. **Corporate Registration:** Contractor, if it is a corporation, certifies it is registered with the Secretary of State of the State of California.
- b. **Contracting with Corporations with Felony Criminal Convictions Prohibited:** The Monterey County Workforce Development Board (MCWDB) and its subrecipients may not knowingly enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that was convicted of a felony criminal violation under any Federal law within the preceding 24 months.
- c. **Contracting with Corporations with Unpaid Tax Liabilities Prohibited:** The MCWDB and its subrecipients may not knowingly enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax

liability.

- d. **Expatriate Corporations:** Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code §§ 10286 and 10286.1, and is eligible to contract with the State of California.
- e. **Americans Disabilities Act (ADA):** Contractor agrees to comply with the Americans with Disabilities Act (ADA) of 1990, which, prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C.12101 et seq.)
- f. **False Claims Act:** Contractor, by signing this Agreement, agrees to assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets. Contractor shall assure that all annual, final fiscal reports, monthly claims, invoices, and vouchers, it submits for the purpose of requesting payment will include a certification, signed by an official who is authorized to legally bind Contractor, which reads as follows: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise." (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).
- g. **Authority to Bind Contractor:** Contractor shall furnish the MCWDB in writing, a list of persons authorized to execute on behalf of Contractor: Agreements, modifications to Agreements, invoices or other documents as may be required by the MCWDB.
- h. **Sectarian Activities:** 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 whatsoever, as specified by Article XVI, Section 5, of the Constitution, regarding separation of church and state.
- i. **Domestic Partners:** For contracts over \$100,000 executed or amended after January 1, 2007, the Contractor certifies that it is in compliance with Public Contract Code § 10295.3.
- j. **National Labor Relations Board:** Contractor (if not a public entity), by signing this Agreement, does swear under penalty of perjury, that no more than one final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board (PCC10296).
- k. **Prior Findings:** Contractor, by signing this Agreement, does swear under penalty of perjury, that it has not failed to satisfy any major condition in a current or previous Agreement with the DOL or the State of California and has not failed to satisfy conditions relating to the resolution of a final finding and determination, including repayment of debts.
- l. **Excluded Parties List:** The MCWDB will not contract with any entity listed on the Excluded Parties List System in the federal System for Award Management. Contractor hereby represents and warrants that it is not so listed.
- m. **Drug-Free Workplace Certification:** By signing this Agreement, Contractor hereby certifies

under penalty of perjury under the laws of the State of California that Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- (1) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
  - (2) Establish a Drug-Free Awareness Program to inform employees about:
    - a. The dangers of drug abuse in the workplace;
    - b. The person's or organization's policy of maintaining a drug-free workplace;
    - c. Any available counseling, rehabilitation and employee assistance programs; and
    - d. Penalties that may be imposed upon employees for drug abuse violations.
  - (3) Every Contractor employee who works on this Agreement will:
    - a. Receive a copy of the Contractor's drug-free policy statement; and
    - b. Agree to abide by the terms of the Contractor's drug-free policy statement as a condition of employment on the Agreement.
  - (4) The Contractor must notify the MCWDB if an employee of the Contractor is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for suspension or debarment.
  - (5) Failure to comply with these requirements may result in suspension of payments under this Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future agreements if it is determined that any of the following has occurred: the Contractor has made false certification; or violated the certification by failing to carry out the requirements as noted above. (Gov. Code § 8350 et seq.)
- n. **Child Support Compliance Act:** In accordance with the Child Support Compliance Act, Contractor recognizes and acknowledges: The importance of child and family support obligations and shall fully comply with the applicable State and Federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and that to the best of its knowledge Contractor is fully complying with the earnings assignment orders of all Contractor's employees and is providing the names of all new Contractor's employees to the New Employee Registry maintained by the State of California Employment Development Department (EDD).
- o. **Debarment and Suspension Certification:** By signing this Agreement, Contractor hereby certifies under penalty of perjury under the laws of the State of California that Contractor will comply with regulations implementing Executive Orders 12549 and 12689, Debarment and Suspension and OMB Guidance 2 CFR Part 180, that the Contractor, to the best of its knowledge and belief, that it and its principals:
- (1) Are not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency.
  - (2) Have not, within a three-year period preceding this Agreement, been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract. Nor shall Contractor have, within a three-year period preceding this Agreement, been convicted of or had a civil judgment rendered against it for violation of

Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property.

- (3) Are not presently indicted for, or otherwise criminally or civilly charged by a government entity (Federal, State or local), with commission of any of the offenses enumerated in Section 2 of this Debarment and Suspension Certification.
- (4) Have not, within a three-year period preceding this Agreement, had one or more public transactions (Federal, State or local) terminated for cause or default. Where Contractor is unable to certify to any of the statements in this Debarment and Suspension Certification, it shall attach an explanation to this Agreement.
- p. **Mandatory Disclosures:** All WIOA and Wagner-Peyser recipients of Federal awards must disclose, as required at 2 CFR 200.113, in a timely manner, in writing to the Federal awarding agency or the MCWDB, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.338 (Remedies for noncompliance), including suspension or debarment.
- q. **Lobbying Certification:** By signing this AGREEMENT, Contractor hereby assures and certifies to compliance with the lobbying restrictions which are codified in Title 31 of the United States Code, section 1352, as implemented by DOL regulations at 2 CFR Part section 200.208, as follows:
- (1) No Federal appropriated funds have been paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this Federal contract, grant loan, or cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative Agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with this Agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (3) Contractor shall require that the language of the lobbying restrictions be included in the award documents for Agreement transactions over \$100,000 (per OMB) at all tiers (including AGREEMENTs, contracts, and subcontracts, under grants, loan, or cooperative Agreements), and that all subrecipients shall certify and disclose accordingly.
- (4) This certification is a material representation of fact upon which reliance is placed when this transaction is executed. Submission of the Lobbying Certification is a prerequisite for making or entering into this transaction imposed by United States Code, section 1352, Title 31. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.
- r. **Priority Hiring Considerations:** If this AGREEMENT includes services in excess of \$200,000, Contractor shall give priority consideration in filling vacancies in positions funded by the Agreement to qualified recipients of aid under Welfare and Institutions Section Code 11200 in accordance with Public Contract Code §10353.

- s. **Sweatfree Code of Conduct:** All Contractors that contract for the procurement or laundering of apparel, garments, or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, or supplies furnished to the State pursuant to the contract have been laundered or produced, in whole or in part, by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. Contractor further declares under penalty of perjury that it will adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108. Contractor agrees to cooperate fully in providing reasonable access to Contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the MCWDB, State of California EDD, the Department of Industrial Relations, or the Department of Justice to determine Contractor's compliance with the requirements of the Sweatfree Code of Conduct.
- t. **Unenforceable Provision:** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected hereby.
- u. **Non-discrimination Clause / Affirmative Action / Equal Employment Opportunity:**
- (1) The conduct of the parties to this Agreement will be in accordance with Title VI of the Civil Rights Act of 1964, and the Rules and Regulations promulgated hereunder and the provisions of WIOA Section 188 and 29 CFR Part 38.
- a. As a condition to the Agreement of financial assistance from the DOL under WIOA, Contractor assures that it has the ability to comply with the nondiscrimination and equal opportunity provisions of the following laws and will remain in compliance for the duration of the Agreement:
- i. Section 188 of the WIOA, which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, political affiliation or belief, or against beneficiaries on the basis of either citizenship/status or participation in any WIOA financially assisted Title I program or activity;
- ii. Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, and national origin;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;
- iv. The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and
- v. Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.
- b. Contractor also assures that, as a recipient of WIOA Title I financial assistance, it will

comply with 29 CFR Part 38 and all other regulations implementing the laws listed above. This assurance applies to Contractor's operation of the WIOA financially assisted program or activity, and to all Agreements that Contractor makes to carry out the WIOA financially assisted program or activity. Contractor understands that the United States has the right to seek judicial enforcement of this assurance.

- c. This Contractor shall include the non-discrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.
  - d. These assurances are binding on Contractor for the term of this Agreement, as specified in 29 CFR section 38.26(b).
- (2) Contractor will take affirmative action to assure that no individual will be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration or in connection with any services or activities authorized under the WIOA in violation of any applicable nondiscrimination law, including laws prohibiting discrimination on the basis of age, race, sex, color, religion, national origin, disability, political affiliation or belief. All complaints alleging discrimination must be filed and processed according to the procedures in the applicable DOL nondiscrimination regulations.
  - (3) Contractor will assure that discriminatory job orders will not be accepted, except where the stated requirement is a bona fide occupational qualification (BFOQ). See, generally, 42 U.S.C. 2000(e)–2(e), 29 CFR parts 1604, 1606, 1625. (3)
  - (4) Contractor will assure that employment testing programs will comply with 41 CFR part 60–3 and 29 CFR part 32 and 29 CFR 1627.3(b)(iv).
  - (5) Contractor agrees to conform to non-discrimination and equal opportunity requirements and procedures, including the discrimination complaint procedures in compliance with the WIOA, the Uniform Guidance 2 CFR Part 200, DOL Exceptions 2 CFR Part 2900, Federal regulations and State statutes, regulations and policy. (Reference MCWDB Policy 2018-1 – Nondiscrimination and Equal Opportunity Procedures, accessible at: <http://www.montereycountywib.org/policies/policies/>).
  - (6) Contractor will be governed by WIOA procedures relating to complaints alleging violations of the WIOA, regulations, other Agreements under the WIOA including terms and conditions of employment. Participants will be notified in writing, upon enrollment into employment or training, of the WIOA complaint procedures including notification of their right to file a complaint and instructions on how to do so. Complaint procedures include: (1) the right to file a complaint, (2) the opportunity to resolve complaints informally, (3) written notice of hearings, and (4) a final decision within sixty (60) days of the date of filing.
  - (7) Contractor will comply with Executive Order 11246, "Equal Employment Opportunity" (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, DOL."
  - (8) Contractor shall ensure equal employment opportunity based on objective personnel policies and practices for recruitment, selection, promotion, classification, compensation, performance evaluation, and employee management relations.

**v. Indemnification:**

- (1) The following provision applies only if Contractor is a governmental entity: Pursuant to Section 895.4 of the California Government Code, each party agrees to indemnify and hold the other party harmless from all liability for damage to persons or property arising out of or resulting from acts or omissions of the indemnifying party.
- (2) The following provision applies only if the Contractor is a non-governmental entity: The Contractor agrees to the extent permitted by law, to indemnify, defend and hold harmless the MCWDB, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materials persons, laborers and any other persons, firms or corporations, furnishing or supplying work, services, materials, or supplies in connection with the performance of this agreement, and from any and all claims and losses accruing or resulting to any persons, firms or corporations which may be injured or damaged by the Contractor in the performance of this Agreement.

- w. **Salary and Bonus Limitations:** In compliance with Public Law 109-234, none of the funds appropriated in Public Law 109-149 or prior Acts under the heading "Employment and Training" that are available for expenditure on or after June 15, 2006, including funds expended pursuant to this Agreement, shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II, except as provided for under section 101 of Public Law 109-149. This limitation shall not apply to Contractors providing goods and services as defined in Uniform Guidance 2 CFR Part 200 and the DOL Exceptions 2 CFR Part 2900. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients of such funds, taking into account factors including the relative cost-of-living in the States, the compensation levels for programs involved including DOL Employment and Training Administration programs. See Training and Employment Guidance Letter #05-06 for further clarification at [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2262](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2262).

The incurrence of costs and receiving reimbursement for these costs under this Agreement certifies that Contractor has read the above special condition and is in compliance.

- x. **Federal Funding Accountability and Transparency Act (FFATA):** As required by FFATA, recipients of Federal awards are required to report sub-award and executive compensation information. By signing this Agreement, Contractor hereby assures and certifies to comply with the provisions of FFATA, which includes requirements referenced in Uniform Guidance 2 CFR Part 200, DOL Exceptions 2 CFR Part 2900, and requirements implementing FFATA at 2 C.F.R. part 25 and 2. C.F.R. part 170.
- y. **Clean Air Act:** Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387).
- z. **Air or Water Pollution Violation:** Under State laws, Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to any cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of Federal law relating to air or water pollution.

### 3. STANDARDS OF CONDUCT

Contractor hereby assures that in administering this Agreement, it shall comply with the standards



of conduct hereinafter set out, for maintaining the integrity of the Agreement and avoiding any conflict of interest in its administration.

- a. **General Assurance:** Every reasonable course of action will be taken by Contractor in order to maintain the integrity of the 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 agrees to conform to the non-discrimination requirements as referenced in WIOA Section 188.
- b. **Conflict of Interest:** An executive or employee of Contractor, an elected official in the area or a member of the MCWDB will not solicit or accept money or any other consideration from a third person, for the performance of an act reimbursed, in whole or in part, by Contractor or the MCWDB: supplies, materials, equipment or services purchased with Agreement funds will be used solely for purposes allowed under this Agreement. No member of Contractor or the MCWDB 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 immediate family of the member) or any business or organization which the member directly represents. For the purpose of this Agreement, a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein has a financial interest in or a tangible personal benefit from a firm considered for a contract, subcontract, or Agreement. (Reference 2 CFR Part 200.318(c)(1)(2) – Conflict of Interest) If a non-Federal entity, has a parent, affiliate, or subsidiary organization that is not a State, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears unable to be impartial in conducting a procurement action involving a related organization. (Reference 2 CFR Part 200.318(c)(2))
- c. **Buy-American:** Contractor agrees that, as stated in sec. 502 of WIOA, all funds authorized in WIOA and the Wagner-Peyser Act must be expended on only American made equipment and products, as required by the Buy American Act (41 U.S.C. 8301–8305). For the purposes of this award, the Contractor is required to maximize the use of goods, products, and materials produced in, and services offered in, the United States, in accordance with the Made in America Laws. No funds may be made available to any person or entity (including as a contractor or subrecipient of the award recipient) that has been found to be in violation of any Made in America Laws.
- d. **Nepotism:** Contractor certifies that it shall not hire nor permit the hiring of any person in a position funded under this Agreement if a member of the person’s immediate family is employed in an administrative capacity. For the purpose of this Agreement, the term “immediate family” means spouse (common law or otherwise), child, mother, father, brother, sister, brother/sister-in-law, son/daughter-in-law, mother/father-in-law, aunt, uncle, niece, nephew, step-parent, step-child, or such other relationship which would give rise to a substantial appearance of impropriety if the person were to be hired by Contractor. The term “administrative capacity” means persons who have overall administrative responsibility for a program, including but not limited to, selection, hiring, or supervisory responsibilities.
- e. **Procurement:** Contractor must comply with the MCWDB procurement policy and procedures which reflect applicable local, State and Federal laws and regulations, and the standards identified in Uniform Guidance 2 CFR Part 200.318 – General Procurement Standards. (Reference MCWDB Policy 2019-02 – Procurement Standards and policy attachments; <https://www.montereycountywdb.org/policy-procedures/>).

- f. **Flood Insurance:** The Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4001 *et seq.*, provides that no Federal financial assistance to acquire, modernize, or construct property may be provided in communities in the United States identified as flood-prone, unless the community participates in the National Flood Insurance Program and flood insurance is purchased within 1 year of the identification. The flood insurance purchase requirement applies to both public and private applicants for the DOL support.
- g. **Architectural Barriers:** The Architectural Barriers Act of 1968, 42 U.S.C. 4151 *et seq.*, as amended, the Federal Property Management Regulations (see 41 CFR 102-76), and the Uniform Federal Accessibility Standards issued by the U.S. General Services Administration (GSA) (see 36 CFR 1191, Appendixes C and D) set forth requirements to make facilities accessible to, and usable by, the physically handicapped and include minimum design standards. All new facilities designed or constructed with grant support must comply with these requirements.
- h. **Promoting Equitable Delivery of Government Benefits and Equal Opportunity:** The Department of Labor (Labor) seeks to affirmatively advance equity, civil rights and equal opportunity in the policies, programs, and services it provides. Therefore, consistent with Executive Order 13985, *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, Contractors must execute the terms and conditions of their funding award in a manner that advances equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. This extends to all award activities including, but not limited to, service delivery, selection of subrecipients and contractors, and procurement of goods and services. Government programs are designed to serve all eligible individuals. As an expectation, Contractors should make the goods and services they provide widely available with the goal of effectively serving a diverse population of eligible individuals; fairly, justly, and impartially in administering the funding award. Contractors are encouraged to engage in contracting and subcontracting for goods and services related to performing the terms and conditions of their agreements in such a way to achieve equity.
- i. **Publicity:** Pursuant to P.L. 117-103, Division H, Title V, Section 503, the Contractor is not authorized to use any funds provided under this award—other than for normal and recognized executive–legislative relationships—for publicity or propaganda purposes, for the preparation, distribution or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation, designed to support or defeat legislation pending before the Congress or any state or local legislature or legislative body, except in presentation to the Congress or any state or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any state or local government, except in presentation to the executive branch of any state or local government itself.
- j. **Telecommunications Prohibition:** Contractors must adhere to 2 CFR 200.216 - Prohibition on certain telecommunications and video surveillance services or equipment (effective August 13, 2020). Contractors are prohibited from obligating or expending loan or grant funds to: procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, any use of video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities) is prohibited, including telecommunications or video surveillance services provided by such entities or using such equipment and telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

- k. Waste, Fraud, and Abuse:** No entity receiving federal funds may require employees or contractors of such entity seeking to report fraud, waste, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.
- l. Whistleblower Protection:** All employees working for contractors, grantees/ grant recipients, subcontractors, subgrantees/ subrecipients, and recipients of cooperative agreements working on this Federal award are subject to the whistleblower rights and remedies established at 41 U.S.C. 4712. The award recipient shall inform its employees and applicable contractors and subrecipients, in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation. The Contractor shall insert the substance of this clause in all subawards and contracts over the Simplified Acquisition Threshold.
- m. Historically Black Colleges and Universities, Other Minority Institutions:** Pursuant to Executive Order (EO) 12928, the Contractor is strongly encouraged to provide subcontracting opportunities to Historically Black Colleges and Universities and other Minority Institutions such as Hispanic-Serving Institutions and Tribal Colleges and Universities; and to Small Businesses Owned and Controlled by Socially and Economically Disadvantaged Individuals.
- n. Improving Access to Services for Persons with Limited English Proficiency:** As clarified by EO 13166, Improving Access to Services for Persons with Limited English Proficiency, dated August 11, 2000, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, Contractor must take reasonable steps to ensure that LEP persons have meaningful access to programs in accordance with DOL's Policy Guidance on the Prohibition of National Origin Discrimination as it Affects Persons with Limited English Proficiency, 68 FR 32289 (May 29, 2003). Meaningful access may entail providing language assistance services, including oral and written translation, where necessary.
- o. Harassment Prohibited:** The Contractor is prohibited from engaging in harassment of an individual based on race, color, religion, sex, national origin, age, disability, or political affiliation or belief, or, for beneficiaries, applicants, and participants only, based on citizenship status or participation in any WIOA Title I-financially assisted program or activity. Harassing conduct of this type is a violation of the nondiscrimination provisions of WIOA and of 29 CFR Part 38.
- p. Health Benefits Coverage for Contraceptives:** Federal funds may not be used to enter in to or renew a contract which includes a provision for prescription drug coverage unless the contract also includes a provision for contraceptive coverage. This requirement does not apply to contracts with 1) the religious plans Personal Care's HMO and OSF Health Plans, Inc. and 2) any existing or future plan if the carrier for the plan objects to such coverage on the basis of religious

beliefs.

- q. **Health Benefits Coverage for Abortions Restricted:** Pursuant to P.L. 117-103, Division H, Title V, Section 506 and 507, Federal funds may not be expended for health benefits coverage that includes coverage of abortions, except when the pregnancy is the result of rape or incest, or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself that would, as certified by a physician, place the women in danger of death unless an abortion is performed. This restriction does not prohibit a contractor from providing health benefits coverage for abortions when all funds for that specific benefit do not come from a Federal source. Additionally, no funds made available through this grant award may be provided to a State or local government if such government subjects any institutional or individual health care entity to discrimination on the basis that the health care entity does not provide, pay for, provide coverage of, or refer for abortions.
- r. **Fair Labor Standards Act Amendment for Major Disasters:** Pursuant to P.L. 117-103, Division H, Title I, Section 108, the Fair Labor Standards Act of 1938 (FLSA) will apply as if the following language was added to Section 7 (the Maximum Hours Worked Section). This language specifically relates to occurrences of a major disaster (as declared or designated by the state or federal government) and are applied for a period of two years afterwards. The language is as follows:
- “(s)(1) The provisions of this section [maximum hours worked] shall not apply for a period of 2 years after the occurrence of a major disaster to any employee—
- (A) employed to adjust or evaluate claims resulting from or relating to such major disaster, by an employer not engaged, directly or through an affiliate, in underwriting, selling, or marketing property, casualty, or liability insurance policies or contracts;
- (B) who receives from such employer on average weekly compensation of not less than \$591.00 per week or any minimum weekly amount established by the Secretary, whichever is greater, for the number of weeks such employee is engaged in any of the activities described in subparagraph (C); and (C) whose duties include any of the following:
- (i) interviewing insured individuals, individuals who suffered injuries or other damages or losses arising from or relating to a disaster, witnesses, or physicians;
- (ii) inspecting property damage or reviewing factual information to prepare damage estimates;
- (iii) evaluating and making recommendations regarding coverage or compensability of claims or determining liability or value aspects of claims;
- (iv) negotiating settlements; or
- (v) making recommendations regarding litigation.
- (2) The exemption in this subsection shall not affect the exemption provided by section 13(a)(1) [of the FLSA].
- s. **Lobbying/Advocacy Restricted:** Pursuant to P.L. 117-103, Division H, Title V, Section 503, no federal funds may be used to pay the salary or expenses of any grant recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order proposed or pending before the Congress or any state government, state legislature or local legislature or legislative body, other than for normal and recognized executive–legislative relationships or participation by an agency or officer of a state, local or tribal government in policymaking and administrative processes within the executive branch of that government.

- t. **Blocking Pornography Required:** Pursuant to P.L. 117-103, Division H, Title V, Section 503, no federal funds may be used to pay the salary or expenses of any grant recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order proposed or pending before the Congress or any state government, state legislature or local legislature or legislative body, other than for normal and recognized executive–legislative relationships or participation by an agency or officer of a state, local or tribal government in policymaking and administrative processes within the executive branch of that government.
- u. **Privacy Act:** No funds can be used in contravention of 5 U.S.C. 552a (the Privacy Act) or regulations implementing the Privacy Act.
- v. **Procuring Goods Obtained through Child Labor Prohibited:** Pursuant to P.L. 117-103, Division H, Title I, Section 103, no Federal funds may be obligated or expended for the procurement of goods mined, produced, manufactured, or harvested or services rendered, in whole or in part, by forced or indentured child labor in industries and host countries identified by the DOL prior to December 20, 2019. DOL has identified these goods and services at ILAB’s List of Products Produced by Forced or Indentured Child Labor webpage.
- w. **Promotion of Drug Legalization Restricted:** Pursuant to P.L. 117-103, Division H, Title V, Section 509, no Federal funds shall be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of the schedules of controlled substances established under Section 202 of the Controlled Substances Act except for normal and recognized executive–congressional communications or where there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.
- x. **Purchase of Sterile Needles or Syringes Restricted:** Pursuant to P.L. 117-103, Division H, Title V, Section 526, no Federal funds shall be used to purchase sterile needles or syringes for the hypodermic injection of any illegal drug.
- y. **Trafficking in Persons Prohibited:**
  - (1) This part establishes a government-wide award term for grants and cooperative agreements to implement the requirement in regard to Trafficking in persons.
    - a. *Provisions applicable to a recipient that is a private entity.*
      - I. The award recipient, the award recipient’s employees, subrecipients under this award, and subrecipients’ employees may not—
        - (A). Engage in severe forms of trafficking in persons during the period of time that the grant award is in effect; or
        - (B). Procure a commercial sex act during the period of time that the award is in effect; or
        - (C). Use forced labor in the performance of the award or subawards under the award.
      - II. DOL/ETA as the Federal awarding agency may unilaterally terminate this award, without penalty, if the award recipient or a subrecipient that is a private entity —
        - (A). Is determined to have violated a prohibition in paragraph a.I of this award term; or
        - (B). Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.I of this award term through conduct that is either—

- i. Associated with performance under this award; or
  - ii. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR Part 2998.
- b. *Provision applicable to a recipient other than a private entity.* DOL/ETA as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—
  - I. Is determined to have violated an applicable prohibition in paragraph a.I of this grant award term; or
  - II. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a. I of this grant award term through conduct that is either—
    - (A). Associated with performance under this award; or
    - (B). Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 29 CFR Part 98.
- c. *Provisions applicable to any recipient.*
  - I. The award recipient must inform DOL/ETA immediately of any information the award recipient receives from any source alleging a violation of a prohibition in paragraph a.1 of this grant award term.
  - II. DOL/ETA right to terminate unilaterally that is described in paragraph a. II or b of this section:
    - (A). Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
    - (B). Is in addition to all other remedies for noncompliance that are available to DOL/ETA under this grant award.
  - III. The award recipient must include the requirements of paragraph a. I of this award term in any subaward the award recipient makes to a private entity.

#### **4. COORDINATION**

- a. Contractor will, to the maximum extent feasible, coordinate all programs and activities supported under this part with other core programs under the WIOA, including the WIOA (Adult, Dislocated Worker and Youth formula programs); Wagner-Peyser Act employment services; Adult Education and Literacy Act programs; Rehabilitation Act Title I programs; Job Corps program, YouthBuild program, Native American programs, Migrant and Seasonal Farmworker programs, and other employment and training programs at the local level. In addition to the core programs, for individuals with multiple needs to access services, Contractor will, to the maximum extent feasible, coordinate with the following partner programs required to provide access through the America’s Job Center of California or One-Stop Career Center: Career and Technical Education (Perkins), Community Development Block Grants, Indian and Native American programs, HUD Employment and Training programs, Local Veterans’ Employment Representatives and Disabled Veterans’ Outreach program, National Farmworker Jobs program, Senior Community Service Employment program, Temporary Assistance for Needy Families (TANF), Trade Adjustment Assistance programs, and Unemployment Compensation programs.

- b. Contractor shall not accept referrals for participant positions funded under this Agreement from any agency which charges a fee to either the individual being referred or the employing agency for the services rendered. Charges incurred in violation of this clause shall be the sole responsibility of Contractor and shall not be charged to either this AGREEMENT or the participant under this Agreement.

## **5. SUBCONTRACTING**

- a. Contractor will not assign a contract resulting from this Agreement or any portion thereof to a third party without the prior written consent of the MCWDB, and any attempted assignment or subcontract without such prior written consent may cause immediate termination of the Agreement.
- b. Upon approval from the MCWDB, any of the work or services specified in this AGREEMENT which will be performed by other than Contractor will be evidenced by a written Agreement specifying the terms and conditions of such performance.
- c. Contractor will maintain and adhere to an appropriate system, consistent with Federal, State and local law, for the award and monitoring of contracts which contain acceptable standards for insuring accountability.
- d. The system for awarding contracts will contain safeguards to insure Contractor does not contract with any entity whose officers have been convicted of fraud or misappropriation of funds within the last two years.

## **6. CONSULTANTS**

Fees paid to a consultant, who provides services under a program, shall be limited to \$750 per day (representing an 8 hour work day). Any fees paid in excess of this amount cannot be paid without prior approval from the Grant Officer.

## **7. RESOLUTION**

A county, city, district or other local public body must provide the MCWDB and the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an AGREEMENT, authorizing execution of this Agreement. Preferably resolutions should authorize a designated position rather than a named individual.

## **8. FUNDING**

- a. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional and legislative appropriation of funds. The parties hereby enter into this Agreement in advance of confirmation of the availability of funds for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the AGREEMENT was executed after that determination was made.
- b. This AGREEMENT is valid and enforceable only if (1) sufficient funds are made available by the State Budget Act of the appropriate State fiscal years covered by this Agreement for the purposes of this program and; (2) sufficient funds are made available to the State by the United States Government for the fiscal years covered by this AGREEMENT for the purposes of the programs described in the scope of services. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress and Legislature or any statute enacted by the Congress and Legislature which may affect the provisions, terms, or funding of

this AGREEMENT in any manner.

- c. At the expiration of the terms of this Agreement or upon termination prior to the expiration of this Agreement, funds not obligated for the purpose of this Agreement will be immediately remitted to the MCWDB, and shall no longer be available to Contractor.
- d. The MCWDB retains the right to suspend financial assistance, in whole or in part, to protect the integrity of the funds or to ensure proper operation of the program, providing Contractor is given prompt notice and the opportunity for an informal review of the MCWDB's decision. The Executive Director of the MCWDB or his/her designee will perform this informal review and will issue the final administrative decision within 60 days of receiving the written request for review. Failure on the part of Contractor to comply with the provisions of this Agreement, or with the WIOA or regulations, when such failure involves fraud or misappropriation of funds, may result in immediate withholding of funds.

## **9. FISCAL ACCOUNTABILITY**

- a. Contractor shall establish and maintain a sound financial management system, based upon generally accepted accounting principles. An integral part of the required financial management system is a system of internal accounting controls that will provide reasonable assurance that WIOA assets are safeguarded against loss from unauthorized use or disposition, and that accounting transactions affecting WIOA fund accountability are properly charged and recorded by administrative and program cost categories to permit the preparation of accurate and supportable financial reports.
- b. Contractor will comply with controls, record keeping and fund accounting procedure requirements of WIOA, Federal and State regulations, and directives to ensure the proper accounting for program funds paid to Contractor by the MCWDB through a cost reimbursement process.
- c. This Agreement provides for the reimbursement of allowable costs that are identified and approved in the AGREEMENT budget, and incurred in the operation of the programs specified in the scope of services. Back-up documentation is required from Contractor to justify reimbursement payments made under this AGREEMENT.
- d. All expenditures must be reported on an accrual basis of accounting.
- e. No cost shall be allowed under this AGREEMENT which is not specifically identified in Contractor's approved budget. Contractor shall not transfer funds between cost categories or adjust designated "total budget" line items without prior written approval by the MCWDB (applicable to cost reimbursement contracts only). Invoices for reimbursement submitted by Contractor that include designated total line item expenditures above the total budget for that designated line item will not be paid until the cost overrun is reconciled. All limitations on expenditures specified in Federal and State fiscal requirements shall apply to this AGREEMENT.
- f. Contractor shall not charge nor receive compensation under this AGREEMENT for any services or expenses unless said services or expenses are directly and exclusively related to the purpose of this AGREEMENT. In addition, payment may not be received by Contractor from any other source for said services or expenses. Moreover, funds shall not be allowed for cost incurred before or after the effective dates of this AGREEMENT. Contractor shall not use WIOA funds as security or payment for obligations or as loans for activities of other funded programs.
- g. Contractor's personnel whose time is charged to the budget under this AGREEMENT shall be paid on a pro-rata basis commensurate with the percentage of time devoted to the programs



specified in the scope of services. Personnel costs including salary shall be reasonable. Employees of Contractor shall be compensated using WIOA funds under this AGREEMENT only for work performed under the terms of this AGREEMENT.

- h. The MCWDB shall not pay, and Contractor shall not request, payment for any accrued employee fringe benefits (including vacation and sick time), which were not accrued by Contractor's employees during the term of this AGREEMENT.
- i. In accordance with the requirements at 2 CFR 200.400(g), Contractor may not earn or keep any profit resulting from WIOA funds paid under this AGREEMENT, or other federal financial assistance.
- j. Any excess of revenue over costs incurred for services provided by Contractor must be included in program income. (WIOA secs. 194(7)(A)–(B)). Interest income earned on funds received under WIOA and Wagner-Peyser Act must be included in program income. (WIOA sec.194(7)(B)(iii)) Accordingly, these funds may be retained by Contractor to underwrite additional training or training related services pursuant to the project or program that generated them, consistent with the purposes of WIOA. When Contractor ultimately discontinues the provision of all WIOA training and/or services described in this AGREEMENT, program income remaining shall be returned to the MCWDB.
- k. Contractor shall make available to the MCWDB, upon request, a complete and detailed record or cost allocation of any expenses that are, in whole or in part, supported with program funds. This detailed account shall include percentages and total contributions from both WIOA and non-WIOA sources. Shared expenses may include, but are not necessarily limited to the following: staff salaries, facilities, equipment, etc.
- l. Travel expenses when permitted should be made at the agency rate per mile, but the rate cannot exceed the Agreement allowed by the Monterey County travel expense reimbursement policy, located online at: <http://www.co.monterey.ca.us/auditor/policies.htm>.

## **10. PAYMENT OF AUTHORIZED EXPENDITURES**

- a. Subject to receipt of funds from the State, the MCWDB agrees to reimburse Contractor for expenditures authorized in the AGREEMENT budget. Financial reports and invoices are due to the fiscal unit of the MCWDB by the 15th working day of each month and shall include all obligations, expenditures and accruals incurred during the previous month, unless otherwise specified by the MCWDB. Late submission of financial reports and invoices are subject to withholding of payment due to non-compliance with Contractor's AGREEMENT to submit timely and accurate reports and invoices. The MCWDB's Fiscal Unit shall pay the certified invoice within 45 days of receiving the certified invoice. Financial information reported on claims must be directly linked to records maintained by Contractor which support actual delivery of services as outlined in the existing AGREEMENT between Contractor and the MCWDB. The MCWDB shall be the sole judge of what constitutes adequate supporting documentation.
- b. Contractor shall be paid in accordance with the AGREEMENT and budget, not to exceed the maximum Agreement specified. Any cost incurred by Contractor over and above the maximum Agreement obligated by the AGREEMENT and budget shall be at the sole risk and expense of Contractor.

## **11. REQUIRED FUNDING INFORMATION IN PUBLIC COMMUNICATIONS**

Pursuant to Public Law 116-260, Division H, Title V, Section 505, when issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all non-Federal entities receiving Federal funds shall clearly state:

- a. The percentage of the total costs of the program or project which will be financed with Federal money;
- b. The dollar amount of Federal funds for the project or program; and
- c. The percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

## **12. PERFORMANCE ACCOUNTABILITY**

- a. Contractor, commencing as of the date of execution of this AGREEMENT by both parties, shall perform all the functions set forth in the AGREEMENT scope of services. Adequate performance under this AGREEMENT is essential and Contractor shall measure its performance results against goals and performance standards provided by this AGREEMENT. Measured performance below goals standards will constitute noncompliance with the terms of this AGREEMENT.
- b. It is the responsibility of Contractor to bring to the attention of the MCWDB areas of performance which are below goals and standards and, with respect to each such area, prepare a corrective action plan or a statement justifying modification of operational plans. In addition, upon receipt of any monitoring report or other communication identifying areas of concern, a corrective action plan must be submitted to the MCWDB within the time frame identified in the report. A corrective action plan shall consist of the following:
  - (1) Specific Actions to be taken
  - (2) The objective of each action
  - (3) Completion dates
  - (4) Person(s) responsible
  - (5) Result(s) to be accomplished
- c. Contractor shall submit all corrective plans to the MCWDB for written approval. If approved, Contractor shall keep the MCWDB aware of progress, on a continuing basis, until the corrective action plan results are accomplished. The MCWDB reserves the right to require modifications to the corrective action plan, satisfactory to the MCWDB, in the event of failure by Contractor to achieve the specified results.
- d. Failure of Contractor to satisfy administrative standards and/or performance goals may result in the immediate reduction of service levels to new applicants and/or enrollees by MCWDB. Such reduction will be accompanied by a proportionate decrease in obligated AGREEMENT funds.

## **13. MAINTENANCE OF EFFORT**

Contractor shall comply with the following maintenance of effort requirements:

- a. Contractor warrants that participant positions funded through this AGREEMENT are in addition to those that would otherwise be financed by Contractor without assistance under WIOA.
- b. Participant positions funded through this AGREEMENT shall: (1) result in an increase in employment opportunities over those that would otherwise be available; (2) not result in the displacement of currently employed workers, including partial displacement such as a reduction in hours of non-over time work, wages or employment benefits; (3) not impair existing contracts for

service or result in a substitution of Federal funds for other funds in connection with work that would otherwise be performed; (4) not substitute public service and/or work experience positions for existing jobs.

- c. Contractor will not terminate, layoff or reduce the working hours of an employee for the purpose of hiring an individual with funds available under WIOA.
- d. Contractor will not hire any person using funds available under WIOA when any other person is on layoff for the same or substantially equivalent job.

#### 14. AMENDMENTS

This AGREEMENT may be unilaterally modified by the MCWDB, under the following circumstances:

- a. There is a decrease in Federal or State funding levels.
- b. Funds awarded to Contractor have not been expended in accordance with the budget included in the approved Contractor's plan. This will occur if, after consultation with Contractor, the MCWDB has determined, in a manner consistent with State and Federal law, regulations and policies, that funds will not be spent in a timely manner.
- c. There is a change in State and Federal law or regulation requiring a change in the provisions of this AGREEMENT.

Except as provided above, the AGREEMENT may be amended only in writing by the mutual AGREEMENT of both parties.

#### 15. REPORTING

- a. Contractor will compile and submit reports of activities, performance and expenditures by the specified dates prescribed by the MCWDB. All expenditure reports must be submitted upon the accrual basis of accounting. Failure to adhere to the reporting requirements of this AGREEMENT will result in funds not being paid to Contractor by the MCWDB.
- b. Contractor shall submit to the MCWDB all required reports on a timely basis as delineated by the MCWDB. Contractor shall submit written monthly status reports covering such items as progress of work being performed, milestones attained, resources expended, problems encountered and corrective action taken or other reports determined to be necessary by the MCWDB. These reports are due to the MCWDB, as requested in writing. Contractor also shall submit on a timely basis all required AGREEMENT supplemental documents.

#### 16. TERMINATION

In the event of early termination of this AGREEMENT, the MCWDB's liability to Contractor is limited to the value of services and/or goods provided to the date of termination. This AGREEMENT may be terminated, in whole or in part, for either of the two following circumstances:

- a. **Termination for Convenience:** The MCWDB may, in its sole discretion, terminate this Agreement for convenience, including but not limited to, insufficient funding, lack of program participants, change in focus of WIOA program priorities, and similar. The MCWDB shall provide Contractor with ninety (90) days advance notice of termination of this Agreement for convenience.

b. **Termination for Cause:** The MCWDB may terminate this Agreement, in whole or in part, if it determines that Contractor has substantially breached this agreement or violated WIOA, WIOA regulations, the Uniform Guidance, implementing state legislation, and/or guidance and directives issued by the State Employment Development Department or the federal Department of Labor. In the event of Contractor's breach of this Agreement or in the event of Contractor's violation of WIOA and related laws, regulations, guidance and directives, the MCWDB may pursue all legal remedies available to it under federal and state law, including injunctive relief and restitution of WIOA funds previously disbursed to Contractor.

(1) In the event of breach of this Agreement by Contractor or in the event of Contractor's violation of WIOA and related laws, regulations, guidance and directives, the MCWDB may also seek to impose administrative sanctions such as, but not limited to, a bar on Contractor's future receipt of WIOA funds and/or a bar on Contractor's future provision of WIOA program services.

(2) The MCWDB may, in its sole discretion, afford Contractor the opportunity to take corrective action prior to terminating this Agreement and/or pursuing legal remedies/administrative sanctions.

All notices of termination must be in writing and be delivered personally or by deposit in the U.S. Mail postage prepaid, "Certified Mail-Return Receipt Requested," and will be deemed to have been given at the time of personal delivery or of the date of postmark by the U.S. Postal Service.

Notices to the MCWDB will be addressed to:

Executive Director  
Workforce Development Board (MCWDB)  
344 Salinas Street, Suite 101  
Salinas, CA 93901

Notices to Contractor will be addressed to:

Regional Director  
Arbor E&T dba Equus Workforce Solutions  
344 Salinas Street  
Salinas, CA 93901

With a notice copy to:  
Office of General Counsel  
805 N. Whittington Pkwy.  
Louisville, KY 40222

## 17. RECORDS MAINTENANCE & RETENTION

- a. If participants are served under this AGREEMENT, Contractor will use CaJOBS <https://www.caljobs.ca.gov>, online case management systems as prescribed by the County of Monterey.
- b. Contractor will retain all records pertinent to this AGREEMENT for a period of three (3) years from the date of final payment of this AGREEMENT. If, at the end of three (3) years, there is litigation or an audit involving those records, Contractor will retain the records until the resolution

of such litigation or audit. (Refer to Uniform Guidance, Subpart D, Part 200.333-200.337.)

- c. The MCWDB, the State of California, and/or the U.S. DOL, or their designee (refer to Uniform Guidance, Subpart F, Part 200.500-200.521) will have access to and right to examine, monitor and audit all records, documents, conditions and activities related to programs funded by this AGREEMENT. For purposes of this section, "access to" means that Contractor shall at all times maintain within the State of California a complete set of records and documents related to programs funded by this AGREEMENT. Contractor shall comply with this requirement regardless of whether it ceases to operate or maintain a presence within the State of California before the expiration of the AGREEMENT. Contractor's performance under the terms and conditions herein specified will be subject to an evaluation by the MCWDB of the adequacy of the services performed, timeliness of response and a general impression of the competency of Contractor's organization and its staff.
- d. Portable Document Format (PDF), electronic, machine readable information or paper documentation is allowed for the purpose of records maintenance and retention, as long as there are appropriate and reasonable internal controls in place to safeguard against any inappropriate alteration of records. (Reference Uniform Guidance 2 CFR 200.335 – Methods for Collection, Transmission and Storage of Information) To the extent possible, Contractors should use the Virtual Job Center and/or CalJOBS systems as prescribed by the MCWDB, as both a reporting and a case management tool.

## 18. AUDITS

- a. If Contractor expends \$750,000 or more in a year in federal funds, CONTRACTOR shall submit an audit report that conforms to the requirements of 2 CFR part 200, subpart F (Single Audit.) Funds may be set aside in Contractor's budget in an amount equal to MCWDB'S fair share of the Contractor's cost of an A-133 independent audit, if required.
- b. The audit report shall ascertain and determine that no services provided by the Contractor under this AGREEMENT are duplicative of services provided to another agency from which Contractor receives funding and are not being reimbursed from funding received from another agency.
- c. Contractor shall enter into an agreement with an outside auditor no later than sixty (60) days before the end of each Fiscal Year calling for the financial and compliance audit of the Fiscal Years that are covered by this AGREEMENT. The written agreement may be in the form of an engagement letter prepared by the auditor and approved by Contractor.
- d. The audit report must be completed and sent to the MCWDB within six months of the end of each Fiscal Year covered by this AGREEMENT. Acceptable forms include: (i) an original, bound copy signed by the certified public accountant responsible for the work, OR (ii) a protected document file format (.pdf) emailed from the certified public accountant. If this AGREEMENT expires or is terminated on a date that occurs after the period covered by the foregoing audit, the Contractor shall deliver an audit report within two hundred and fifty (250) days after the expiration or termination of this AGREEMENT auditing the period not covered by the prior audit.
- e. Should Contractor not enter into an agreement with an outside auditor or should an audit not be performed on a timely basis, the MCWDB, at its discretion, may enter into an agreement with an independent auditor to perform the audit at Contractor's expense.
- f. The Contractor shall submit to the MCWDB copies of management letters the auditor prepares for the Contractor as part of the audit engagement.

- g. All audits must be performed by Certified Public Accountants currently certified and licensed to practice in the State of California. Contractor must have auditor's proof of current licensing on file in Contractor's office. Contractor must submit a copy of the auditor's certification to practice in California to the MCWDB.
- h. Contractor will maintain and make available to auditors, at all levels, accounting and program records including supporting source documentation and cooperate with all auditors. Contractor must follow the audit requirements (single audit or program-specific audit requirement) of Uniform Guidance 2 CFR, Part 200 and DOL Exceptions 2 CFR Part 2900.
- i. Auditors performing monitoring or audits of Contractor will immediately report to the MCWDB any incidents of fraud, abuse or other criminal activity in relation to this AGREEMENT, the WIOA or its regulations.

## **19. DISALLOWED COSTS**

- a. Except to the extent that the State determines it will assume liability, Contractor will be liable for and will repay the MCWDB, any sums expended under this AGREEMENT found not to be in compliance with the WIOA including, but not limited to, disallowed costs. Such repayment will be from funds (Non-Federal), other than those received under the WIOA. Payment of any disallowed costs must be made within 30 days of notification of the disallowed costs, unless otherwise specified by the MCWDB.
- b. Contractor shall be notified of all final determinations made by the MCWDB regarding audit reports, independent monitoring reports, and MCWDB administrative findings by a final determination letter.
- c. If Contractor fails to refund any disallowed cost within 30 days, the MCWDB may, at its sole discretion, terminate any and all AGREEMENTs with Contractor effective immediately thereon.

## **20. CONFLICTS**

- a. Contractor will cooperate in the resolution of any conflict with the MCWDB that may occur from the activities funded under this AGREEMENT.
- b. In the event of a dispute between the MCWDB and Contractor over any part of this AGREEMENT, the dispute may be submitted to non-binding arbitration upon the consent of both the MCWDB and Contractor. An election for arbitration pursuant to this provision will not preclude either party from pursuing any remedy for relief otherwise available.

## **21. PROPERTY**

- a. The Federal Government reserves a paid-up, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for federal purposes: the copyright in all products developed under the grant, including a subgrant or contract under the grant or subgrant; and any rights of copyright to which the grant award recipient, subrecipient or a contractor purchases ownership under an award (including but not limited to curricula, training models, technical assistance products, and any related materials). Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise.

- (1) Federal funds may not be used to pay any royalty or license fee for use of a copyrighted work, or the cost of acquiring by purchase a copyright in a work, where the DOL/ETA has a

- license or rights of free use in such work, although they may be used to pay costs for obtaining a copy which is limited to the developer/seller costs of copying and shipping.
- (2) If revenues are generated by selling products developed with grant funds, including intellectual property, these revenues are considered as program income. Program income must be used in accordance with the provisions of this grant award and 2 CFR 200.307.
  - (3) The following language must be on all workforce products developed in whole or in part with grant funds:

*“This workforce product was funded by a grant awarded by the U.S. Department of Labor (DOL)’s Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of DOL/ETA. DOL/ETA makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it.”*

- (4) Additionally, pursuant to 2 CFR 2900.13, Intellectual Property developed under this subgrant will be licensed under a Creative Commons Attribution license, which allows subsequent users to copy, distribute, transmit and adapt the copyrighted work and requires such users to attribute the work in the manner specified by the Pass-through Entity.
  - (5) If the Federal award meets the definition of “funding agreement” under [37 CFR § 401.2](#) (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
- b. All property, whether finished or unfinished documents, data, studies and reports prepared or purchased by Contractor under this AGREEMENT, will be disposed of in accordance with the direction of the MCWDB. In addition, any tools and/or equipment furnished to Contractor by the MCWDB and/or purchased by Contractor with funds pursuant to this AGREEMENT, will be limited to the use within the activities outlined in this AGREEMENT and will remain the property of the DOL and/or the MCWDB. Upon termination of this AGREEMENT, Contractor will immediately return such tools and/or equipment to the MCWDB or dispose of them as prescribed by the MCWDB.
  - c. All non-expendable property acquired with program funds provided, in whole or in part, under this AGREEMENT shall become property of the MCWDB at the time of acquisition and shall be returned to the MCWDB upon termination of the AGREEMENT and completion of the program or at such time as the MCWDB makes a request for such property. Non-expendable property is defined as property which will not be consumed or lose its identity during the AGREEMENT term, has a unit value in excess of \$1,000 at the time of purchase, and is expected to have a useful life of one year or more.
  - d. Contractor shall obtain advance written approval of MCWDB for purchase of any non-expendable equipment having a unit purchase price of \$1,000 or more, and use expectancy in excess of one year.
  - e. Property records for non-expendable property shall be accurately maintained by Contractor and

shall reflect the following:

- (1) a description of the property;
- (2) acquisition date and costs;
- (3) supplier; and
- (4) percentage of the cost of the property purchased with funds from this AGREEMENT.

- f. Contractor shall insure that adequate safeguards are provided to prevent loss, damage or theft of the property. In the case of all suspected thefts and if there is any possibility of a criminal cause of the loss or damage, Contractor shall report the loss, damage, or theft to the police, unless the possible crime occurred in another jurisdiction, in which case Contractor shall report it to the law enforcement authorities with that jurisdiction and Contractor shall provide a copy of the law enforcement report to the MCWDB.

## 22. CONFIDENTIALITY REQUIREMENTS

The MCWDB and Contractor will exchange various kinds of information pursuant to this AGREEMENT. That information will include data, applications, program files, and databases. These data and information are confidential when they define an individual or an employing unit. Confidential information requires special precautions to protect it from unauthorized use, access, disclosure, modification, and destruction. The sources of information may include, but are not limited to, the County of Monterey, State of California EDD, California Department of Social Services, California Department of Education, California Department of Corrections and Rehabilitation, County Welfare Department(s), County IV-D Directors Office of Child Support, Office of the District Attorney, California Department of Mental Health, California Office of Community Colleges and Department of Alcohol and Drug Programs.

The MCWDB and Contractor agree that:

- a. Each party must recognize and safeguard personally identifiable information (PII) and information designated as sensitive in accordance with Uniform Guidance 2 CFR 200.303 – Safeguarding Personally Identifiable Information, except where disclosure is allowed by prior written approval of the Grant Officer or by court order. Contractor must take reasonable measures to safeguard protected PII, as well as any information that the MCWDB designates as sensitive. Both Contractor and the MCWDB must meet the requirements in Training and Employment Guidance letter (TEGL) 39-11, Guidance on the Handling and Protection of Personally Identifiable Information, located at [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7872](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7872).
- b. Each party shall keep all information that is exchanged between them in the strictest confidence and make sure information available to their respective employees is only on a “need-to-know” basis.
- c. Each party shall provide security sufficient to ensure protection of confidential information from improper use and disclosures, including sufficient administrative, physical, and technical safeguards to protect this information from reasonable unanticipated threats to the security or confidentiality of the information.
- d. Contractor agrees that information obtained under this AGREEMENT will not be reproduced, published, sold or released in original or in any other form for any purpose other than those specifically identified in this AGREEMENT.
  - (1) Aggregate Summaries: All reports and/or publications developed by Contractor based on data obtained under this AGREEMENT shall contain confidential data in aggregated or



statistical summary form only. "Aggregated" refers to a data output that does not allow identification of an individual or employer unit.

- (2) Publication: Prior to publication, Contractor shall carefully analyze aggregated data outputs to ensure the identity of individuals and/or employer units cannot be inferred pursuant to Unemployment Insurance Code Section 1094(c). Personal identifiers must be removed. Geographic identifiers should be specified only in large areas and as needed, and variables should be recorded in order to protect confidentiality.
  - (3) Minimum Data Cell Size: The minimum data cell size or derivation thereof shall be three participants for any data table released to outside parties or to the public.
- e. Each party agrees that no disaggregate data, identifying individuals or employers, shall be released to outside parties or the public.
  - f. Contractor shall notify the MCWDB of any actual or attempted information security incidents, within 24 hours of initial detection, by telephone at (831) 759-6644 or (831) 796-6434. Information security incidents include, but are not limited to, any event (intentional or unintentional), that causes the loss, damage, or destruction, or unauthorized access, use, modification, or disclosure of information assets. Contractor shall cooperate with the MCWDB in any investigation of security incidents. The system or device affected by an information security incident and containing confidential data obtained in the administration of this program shall be immediately removed from operation upon confidential data exposure or a known security breach. It shall remain removed from operation until correction and mitigation measures are applied. If Contractor learns of a breach in the security of the system which contains confidential data obtained under this AGREEMENT, then Contractor must provide notification to individuals pursuant to Civil Code Section 1798.82.
  - g. Contractor shall provide for the management and control of physical access to information assets (including personal computer systems, computer terminals, mobile computing devices, and various electronic storage media) used in performance of this AGREEMENT. This shall include, but is not limited to, security measures to physically protect data, systems, and workstations from unauthorized access and malicious activity; the prevention, detection, and suppression of fires; and the prevention, detection, and minimization of water damage.
  - h. At no time will confidential data obtained pursuant to this AGREEMENT be placed on a mobile computing device or on any form of removable electronic storage media of any kind unless the data are fully encrypted.
  - i. Each party shall provide its employees with access to confidential information with written instructions fully disclosing and explaining the penalties for unauthorized use or disclosure of confidential information found in Section 1798.55 of the Civil Code, Section 502 of the Penal Code, Section 2111 of the Unemployment Insurance Code, Section 10850 of the Welfare and Institutions Code and other applicable local, State and Federal laws.
  - j. Each party shall (where it is appropriate) store and process information in electronic format, in such a way that unauthorized persons cannot reasonably retrieve the information by means of a computer.
  - k. Each party shall promptly return to the other party confidential information when its use ends, or destroy the confidential information utilizing an approved method of destroying confidential information: shredding, burning, or certified or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.

- I. If the MCWDB or Contractor enters into an AGREEMENT with a third-party to provide WIOA services, the MCWDB and Contractor agree to include these data and security and confidentiality requirements in the AGREEMENT with that third-party. In no event, shall said information be disclosed to any individual outside of that third-party's authorized staff, subcontractor(s), service Contractors, or employees.
  
- m. Contractor may, in its program operations, allow an individual to register for resume-distribution services at the same time the individual enrolls in the Virtual Job Center or CalJOBS. Contractor shall ensure that it and all subcontractors comply with the confidentiality requirements of this AGREEMENT and any other terms of this AGREEMENT that may be applicable. In addition, the following requirements must be adhered to by Contractor and its subcontractors:
  - (1) All client information submitted over the Internet to Contractor and/or subcontractor(s) databases must be protected, at a minimum, by 128-bit Secure Socket Layer (SSL) encryption. Client's social security numbers must be stored in a separate database within Contractor and/or subcontractor(s) network of servers, and protected by a firewall and a secondary database server firewall or AES1 data encryption. If a Contractor and/or subcontractor(s) obtain confidential information, the AGREEMENT between Contractor and its subcontractor(s) must specifically state the purpose for the data collection and the term of records retention must be stated, and directly related, to the purpose and use of the information. In accordance with Uniform Guidance 2 CFR Part 200 and DOL Exceptions 2 CFR Part 2900, social security numbers and other client specific information shall not be retained for more than three years after a client completes services. Contractor and/or subcontractor(s) should extend this period, only if any litigation, claim, negotiation, audit, or other action involving the records has been started before the end of the three-year retention period. In this case, the records should be maintained until completion of the action and resolution of all issues arising from it, or until the close of the three-year retention period, whichever is later.
  - (2) Client information (personal information that identifies a client such as name and social security number) and/or demographic information of a client (such as wage history, address, and previous employment) shall not be used as a basis for commercial solicitation during the time the client or agency is using Contractor and/or subcontractor(s) services. Client information and/or demographic information shall not be used for any purposes other than those specific program purposes set forth in Contractor and subcontractor(s) AGREEMENT scope of services.
  - (3) Contractor must give an America's Job Center of California (Job Center) or One-Stop Career Center (One-Stop) client the option to use the Job Center or One-Stop services, including Virtual Job Center or CalJOBS, even if he or she chooses not to use any services of Contractor and/or subcontractor(s). This option shall be prominently, clearly, and immediately communicated to the client upon registration within the Job Center or One-Stop for the Virtual Job Center or CalJOBS. This obligation applies even if Contractor's and/or subcontractor's resume-distribution services, or any other services are offered to the client.
  - (4) Contractor and/or subcontractor(s) must clearly disclose all of its potential and intended uses of the client's personal and/or demographic information for the services the client seeks and for any other services Contractor and/or subcontractor(s) offers. Contractor and/or subcontractor(s) shall not use a client's personal and/or demographic information without the client's prior permission. A link to Contractor and/or subcontractor(s) privacy policy shall appear prominently on the registration screens that list the potential and intended uses of the client's personal and/or demographic information.

- (5) When the MCWDB modifies State automated systems such as the CalJOBS or VOS systems, it shall provide reasonable notice of such changes to Contractor and/or subcontractor(s). Contractor shall be responsible to communicate such changes to its subcontractor(s) in the local area.
  
- n. Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and each party shall notify the other of any changes in that designation.

**EXHIBIT E**  
**List of WDB Policies**  
As of April 2022

<b>Policy Number</b>	<b>Name of Policy</b>	<b>Purpose of Policy (Also includes comments)</b>
2022-03	Incumbent Worker Training Policy	This policy provides guidance and establishes the procedures regarding Incumbent Worker Training (IWT) as part of comprehensive regional sector pathway programs and strategies for developing a skilled workforce and income mobility.
2022-02	Conflict of Interest Policy	The purpose of this policy is to ensure that Board members and employees who are entrusted with oversight of WIOA funds will not personally or professionally benefit from the award, administration, or expenditure of such funds; will otherwise comply with ethics laws; and will safeguard WIOA system integrity.
2022-01	Code of Conduct Policy	This purpose of this policy is to ensure that all appointed Board members conduct themselves in a manner that will instill public confidence and trust in the fair operation and integrity of the Monterey County Workforce Development Board.
2021-04	Registered Apprenticeship Policy	This policy serves as guidance to the WDB and service providers relating to requirements and options for provision of training and employment opportunities in Registered Apprenticeship programs, which may be offered to eligible WIOA participants, including Out-of-School Youth, as a combination of classroom and job-based training.
2021-03	Incident Reporting	This policy provides procedures for reporting incidents, including but not limited to criminal fraud, criminal abuse or other criminal activity and non-criminal complaints, such as waste of funds, to the Compliance Review Office (CRO) of the Employment Development Department (EDD) and the Department of Labor's (DOL) Office of Inspector General (OIG).
2021-02	Career Services	This policy provides guidance and establishes the procedures for "career services" for adults and dislocated workers, rather than core and intensive services, as authorized by the Workforce Innovation and Opportunity Act (WIOA). This policy applies to all Monterey County Service Providers funded under the WIOA Title I.
2021-01	Auditing and Audit Resolution Policy	The purpose of this policy is to implement the audit resolution policy for entities receiving Workforce Innovation and Opportunity Act (WIOA) funds and meet the requirements of the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule (Uniform Guidance).
2020-14	AJCC Re-opening Policy and Guidance	The purpose of this policy is to provide specific safety measures to facilitate the prompt re-opening of all AJCC workplaces throughout Monterey County. The policies and procedures have been provided to ensure the safety of clients and staff and prevent the spread of COVID-19.
2020-13	Budget Control and Modifications Policy	The purpose of this policy is to provide guidance on Budget and Control Modifications under Workforce Innovation and Opportunity Act (WIOA) and the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule (Uniform Guidance).
2020-12	Operating Expense Payment Policy	The policy provides guidance on appropriate budgeting and expenditures of federal funds under Workforce Innovation and Opportunity Act (WIOA) and the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule (Uniform Guidance). The policy establishes oversight, authority and reasonable assurance that all financial transactions are properly recorded, accounted for and in compliance with the specific provisions of the Uniform Guidance.
2020-11	Matched and Leveraged Resources	This policy provides guidance of match expenditures and qualifications. Match is defined as additional non-Federal resources expended to further the grant objectives, if required either by statute or within the grant agreement as a condition of funding. All matching funds must be spent on allowable grant activities and in accordance with the cost principles.
2020-10	Program Income	This policy provides guidance regarding program income parameters for the Workforce Innovation and Opportunity Act (WIOA). Program income means amounts generated by a recipient or subrecipient of WIOA funds that was directly generated from a supported WIOA-underwritten activity or earned as a result of the WIOA award during the period of performance.
2020-09	Property Management	This policy provides guidance for property management and inventory. This policy applies to all subrecipients of Workforce Innovation and Opportunity Act (WIOA) funds, to ensure allowable uses of property and proper management and inventory of property funded with WIOA funds.
2020-08	Closeout -- Grants and Contracts	The purpose of this policy is to provide guidelines and requirements for the closeout of WIOA grants and subgrants.
2020-07	WIOA Accounting	The purpose of this policy is to provide operational guidance for accounting systems for recipients of Federal grant funds.
2020-06	Record Retention and Public Access	This policy sets forth the following minimum timeframe requirements for records retention, and the extent to which such records may be made available to the public. Subrecipients/subcontractors must keep records that are sufficient to permit the preparation of reports required by the Secretary of Labor and the tracing of funds to a level of expenditure adequate to ensure that the funds were spent lawfully.
2020-05	Allowable Costs and Cost Classification	This policy provides guidance and establishes procedures regarding general cost principles, allowable costs, and prior written approval related to the Workforce Innovation and Opportunity Act (WIOA) Title I Funds and the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule (Uniform Guidance).
2020-04	Internal Control Policy	This policy describes the WDB's internal control system and sanctions for non-compliance and provides guidance to WDB staff relating to the role they play in ensuring strong organizational internal controls.
2020-03	Debt Collection	This policy transmits the procedure for debt collection associated with the misexpenditure of WIOA funds.

<b>Policy Number</b>	<b>Name of Policy</b>	<b>Purpose of Policy (Also includes comments)</b>
2020-02	Cash Management Policy	The purpose of this policy is to establish sound cash management practices to ensure efficient use of cash consistent with MCWDB's Strategic Plan.
2020-01	WIOA Monitoring Policy	This policy establishes standards for fiscal and program monitoring, and Nondiscrimination and Equal Opportunity compliance monitoring of Workforce Innovation and Opportunity Act (WIOA) service providers and training providers on MCWDB's ETPL.
2019-06	Transitional Jobs Policy	The purpose of this policy is to provide guidance to MCWDB service providers regarding the limitations and requirements for the placement of WIOA Adults and Dislocated Workers into transitional jobs.
2019-05	WIOA Training Expenditure Requirements	This policy provides guidance and established the procedures regarding the Workforce Innovation and Opportunity Act (WIOA) training expenditure requirement imposed by Assembly Bill 1149.
2019-04	Work Experience Policy and Guidance	This policy establishes the process for the implementation of WIOA-funded Work Experience (WEX) training opportunities for WIOA-eligible Youth program participants.
2019-03	Authorization to Work Policy	This policy establishes the procedures to verify authorization to work documents, including which services require verification, when to ask, and where to refer individuals for additional services.
2019-02	Procurement Standards	This policy establishes procedures governing the use of WIOA funds to procure goods and services.
2019-01	Grievance and Complaint Policy	This policy establishes procedures that govern the receipt, handling, and resolution of non-criminal grievances or complaints made in connection with local area WIOA Title 1 programs and activities.
2019-00	Services and Referrals to Victims of Human Trafficking	This policy provides the guidance and establishes the procedures regarding services and referrals to victims of human trafficking.
2018-13	Individual Training Accounts (ITA)	The purpose of this policy is to provide guidelines for implementing ITAs that are flexible and maximize informed customer choice in selecting an eligible training provider. This policy sets the training limit amount to \$5,000 (as funds are available) and the duration of ITAs (up to 12 months) developed for eligible individuals funded under WIOA within Monterey County.
2018-12	2018 LLSIL and Poverty Guidelines	The purpose of this policy is to provide the annual update of the LLSIL and Poverty Guidelines used to establish low-income status for WIOA Title I programs to determine income eligibility for youth, income eligibility for employed adults for certain services, and self-sufficiency.
2018-11	On-the-Job Training (OJT) Policy	The purpose of this policy is to provide guidance and criteria used in the development of and the administration of On-the-Job Training (OJT) contracts in compliance with Section 134(c) of WIOA, which authorizes local boards to reimburse employers up to a maximum of 75% of the wage of an OJT participant.
2018-10	Incumbent Worker Policy	This policy provides guidance regarding Incumbent Worker Training (IWT), which is designed to meet the specific requirements of an employer, and is conducted with a commitment to retain the incumbent workers trained.
2018-09	Audit Resolution Policy	This purpose of this policy is to set forth written procedures, as indicated in the WIOA regulations, for the Monterey County Workforce Development Board (MCWDB) staff and its subrecipients to follow regarding the requirements for audit resolution. This policy requires that all subrecipients expending WIOA funds shall comply with federal and state audit resolution requirements.
2018-08	WIOA Youth Program Requirements	This policy provides guidance and establishes the procedures regarding the WIOA youth program, including out-of-school youth and 20% work experience minimum expenditure requirements.
2018-07	Cost Allocation Plan Methodology	This operational policy provides guidance and establishes principles and standards to provide a uniform approach for determining cost and to promote effective program delivery.
2018-06	Priority of Service for Adult Programs	This policy is to provide guidance regarding MCWDB's Priority of Service for WIOA Title I Adult Programs. With respect to funds allocated to a local area for adult employment and training activities, priority shall be given to recipients of public assistance and other low-income individuals, and individuals who are basic skills deficient, for receipt of WIOA career and training services. Local WDBs may establish additional priority groups for priority of service.
2018-05	WDB Supportive Services Policy	This policy addresses the use of WIOA Title I funds for supportive services to eligible participants enrolled in the WIOA Adult, Dislocated and Youth programs. The policy includes documentation requirements to show that the supportive service is allowable, reasonable and not otherwise available to the participant.
2018-04	Selective Service Registration	The purpose of this policy is to provide guidance regarding the Selective Service registration requirements for participation in WIOA-funded services. Additionally, this policy contains model questions for WIOA staff to determine whether failure to register by a current or potential WIOA participant was knowing and willful.
2018-03	Limited English Proficiency	This policy seeks to establish procedures regarding the prohibition against national origin discrimination as it affects persons with Limited English Proficiency (LEP) and also to outline how the AJCC delivery system will serve these special populations.
2018-02	Reasonable Accommodation and Modification for Individuals with Disabilities	The policy provides direction in the processing of reasonable accommodation requests and outlines the definition of disability and procedures for the provision of accommodation to qualified individuals with disabilities who are applicants, registrants, eligible applicants/registrants, participants, employees, or applicants for employment, unless providing the accommodation would cause undue hardship.
2018-01	Non-Discrimination and Equal Opportunity	This policy provides guidance on the nondiscrimination and equal opportunity procedures for WIOA Title I and MCWDB financially assisted programs or activities. It also issues a standard form that is available for use by MCWDB subrecipients when processing a discrimination complaint.

<b>Policy Number</b>	<b>Name of Policy</b>	<b>Purpose of Policy <i>(Also includes comments)</i></b>
2017-04	Unlikely to Return Policy	The policy outlines the definition and eligibility requirements be used when determining an individual's unlikeliness to return to their previous industry or occupation.
2017-03	WIOA Adult and Dislocated Worker Eligibility Documentation and Verification	This policy provides information and guidance pertaining to the MCWDB's definition of WIOA Title 1 Adult and Dislocated Worker eligibility documentation and verification procedures.
2016-03	Release of Confidential Unemployment Insurance Information	This policy provides guidance and establishes procedures regarding the process for WIOA subrecipients to obtain Unemployment Insurance information from EDD for WIOA customers.
2016-02	Handling and Protection of Personally Identifiable Information	The purpose of this policy is to provide guidance on compliance with the requirements of handling personally identifiable information.

**EXHIBIT F – ADDENDUM  
ONE-STOP OPERATOR, ADULT/DISLOCATED  
WORKER, AND YOUTH SERVICES  
PROVIDED UNDER TITLE I OF  
THE WORKFORCE INNOVATION AND OPPORTUNITY  
ACT**

This Addendum is to the Agreement entered into by and between the Monterey County Workforce Development Board (hereinafter referred to as the "WDB"), and Arbor E&T, LLC dba Equus Workforce Solutions (hereinafter referred to as "EWS"), for the provision of Workforce Innovation and Opportunity Act (WIOA) Title I services in Monterey County.

WHEREAS, the WDB did previously properly procure and contract for services by EWS under the Workforce Innovation and Opportunity Act (WIOA) for the purpose of retaining EWS to perform the duties of a One-Stop Operator; and

WHEREAS, the WDB did previously properly procure and hereby contracts for services by EWS under WIOA for the purpose of retaining EWS to perform the duties of Adult and Dislocated Worker Career Services Provider to eligible individuals in Monterey County; and

WHEREAS, the WDB did previously properly procure and hereby contracts for services by EWS under WIOA for the purpose of retaining EWS to perform the duties of Youth Services Provider to eligible youth in North County Monterey and the Monterey Peninsula; and

WHEREAS, EWS and the WDB have entered into three (3) independent contracts, each with a detailed Scope of Work, effective July 1, 2022, May 1, 2019, and July 1, 2022 respectively:

1. One-Stop Operator
2. WIOA Adult and Dislocated Worker Career Services Provider
3. WIOA Youth Services Provider; and

WHEREAS, this Addendum was developed to promote transparency because EWS is performing multiple functions in the local one-stop system according to the independent Scope of Work for each contract; and

WHEREAS WIOA provides as follows:

- Section 679.430 specifically addresses the relationship between a One-Stop Operator and a Service Provider and establishes the need for internal controls to prevent conflicts of interest;

- Section 678.620, in response to comments, the Department of Labor stresses the importance of appropriate firewalls between service provision staff and oversight of the system; and
- Section 678.625 indicates that specific policies and procedures are to be written and incorporated as standard protocols that address the oversight, monitoring, and evaluation of performance for both the Operator and Service Provider;

Now, therefore, EWS and the WDB hereby acknowledge and affirm the following:

- EWS will not develop or be involved in the development of procurement documents or any part of the procurement and selection process as it relates to the One-Stop Operator, Provider of Adult and Dislocated Worker Career Services, Provider of Youth Services, or any other procurement where EWS may have a perceived or real interest;
- EWS will not establish or implement policies or engage in practices that create impediments to other service providers to properly assist individuals nor will EWS create an advantage or preference for the EWS Career Services or Youth Services programs over any other partner program (e.g., preference for referrals for services);
- EWS will not convene system stakeholders to assist in the development of the local plan;
- EWS will not prepare and submit local plans (as required under sec. 107 of WIOA);
- EWS will not provide oversight of itself as either the Services Provider or the One-Stop Operator as follows:
  - ▶ EWS employees performing One-Stop Operator functions will not supervise, review or oversee, directly or indirectly, any EWS employee performing Career or Youth Services provider functions;
  - ▶ EWS employees performing One-Stop Operator functions will not rate or evaluate the performance of any EWS employees performing Career or Youth Services provider functions or vice versa;
  - ▶ EWS employees performing One-Stop Operator functions and EWS employees performing Career or Youth Services provider functions will establish a “firewall” between them and, as such shall not discuss, review, or communicate regarding their performance of their respective, separate WIOA functions;
  - ▶ EWS employees performing One-Stop Operator functions and EWS employees performing Career or Youth Services provider functions will interact at arms’ length, objectively, limited to enabling EWS to perform its coordination and management functions as One-Stop Operator;
- EWS will not select or terminate one-stop operators, career services providers, or youth services providers;
- EWS will not negotiate local performance accountability measures on behalf of the local area or on behalf of other service providers;
- EWS will not develop and submit a budget for activities of the WDB in the local Monterey County workforce area.



- As stated above, EWS employees performing One-Stop Operator functions and EWS employees performing Career or Youth Services provider functions will not have a direct or indirect reporting relationship to one another within the EWS structure; leaders under each contract shall report directly and separately to the Vice President, Service Delivery; and

EWS has an established Code of Conduct, a copy of which is attached to this addendum, which was created to set standards for and promote honesty and ethical conduct, avoidance of actual/apparent conflicts of interest, and legal compliance. All EWS employees are trained annually on the terms and application of the EWS Code of Conduct; all EWS employees are required to annually submit to EWS, in writing, their agreement to the terms of the EWS Code of Conduct.

EWS will provide the WDB with copies of the signed written agreements to the EWS Code of Conduct executed by all EWS employees performing One-Stop Operator functions and all EWS employees performing Career or Youth Services provider functions. In signing the EWS Code of Conduct, each EWS employee commits to prompt reporting of violations of the code, proper disclosure, and full accountability in accordance with the terms of the Code. Should an apparent or real conflict of interest come to EWS' attention, EWS commits to notifying the WDB immediately, as well as the EWS Compliance Department.

# Code of Conduct

**Do the right thing...**

**know the right thing to do.**





Making a difference in people's lives and communities.

*Creating optimal environments for people in need of assistance, through attentive and quality service principles.*

*So they can live their best life.*



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Dear Fellow BrightSpring Employee:

BrightSpring is committed to providing the highest quality supports to all persons. It is our responsibility to ensure an ethical and compassionate approach to service delivery and management. With the growth in our services and personnel over the past few years, it is vital for BrightSpring to maintain our high standard of quality, compliance and ethical behavior. We have enhanced our existing programs by formalizing the necessary compliance activities for BrightSpring to achieve an effective Compliance Program.

BrightSpring's commitment to compliance was demonstrated by the Board of Directors when they signed the Resolution formally creating the Compliance Program on January 10, 2001. The Compliance Program is based upon standards that serve as a guide to each employee's conduct involving our operations and the people we support.

A very important element of an effective compliance program is a Code of Conduct. The Code of Conduct has been reviewed by Regional/Divisional Management and Resource Center Leadership and has been approved by the Ethics and Compliance Committee of the Board of Directors.

It is critical that you understand your responsibility to not only adhere to these principles of conduct, but to also actively participate in

and promote compliance.

We are committed to the ideals in our Common Purpose and in this Code of Conduct. We are equally committed to ensuring that our actions consistently reflect our words. In this spirit, BrightSpring is committed to be the best diversified health and human services provider in serving populations of various needs in our communities, creating optimal environments that foster independence, safety and outcomes through best-in-class services, an innovative and technology-led approach, and highly engaged people.

We expect all of our colleagues' actions to reflect the high standards set forth in this Code of Conduct. However, no code of conduct can substitute for our own internal sense of ethics, honesty and integrity.

Should you find yourself in a work situation that just "does not feel right," please discuss the situation with your supervisor, another member of local management, your regional/divisional management team or any member of the Compliance Department.

You may also call the Compliance Action Line at 866.293.3863. You have our personal assurance there will be no retaliation for asking questions or raising good-faith concerns about the Code of Conduct or

for reporting possible improper conduct. Improper use of the Compliance Action Line for intentional false reporting, however, will lead to corrective action.

In closing, we trust you as a valuable member of our team. We ask you to assist us and all of our colleagues at BrightSpring in supporting the values and principles which are critical to achieving our mission.



*Jon Rousseau,  
President and CEO*



*David Braddock, Ph.D.  
Board of Directors  
Chairman, Ethics and  
Compliance Committee*



# Foreword

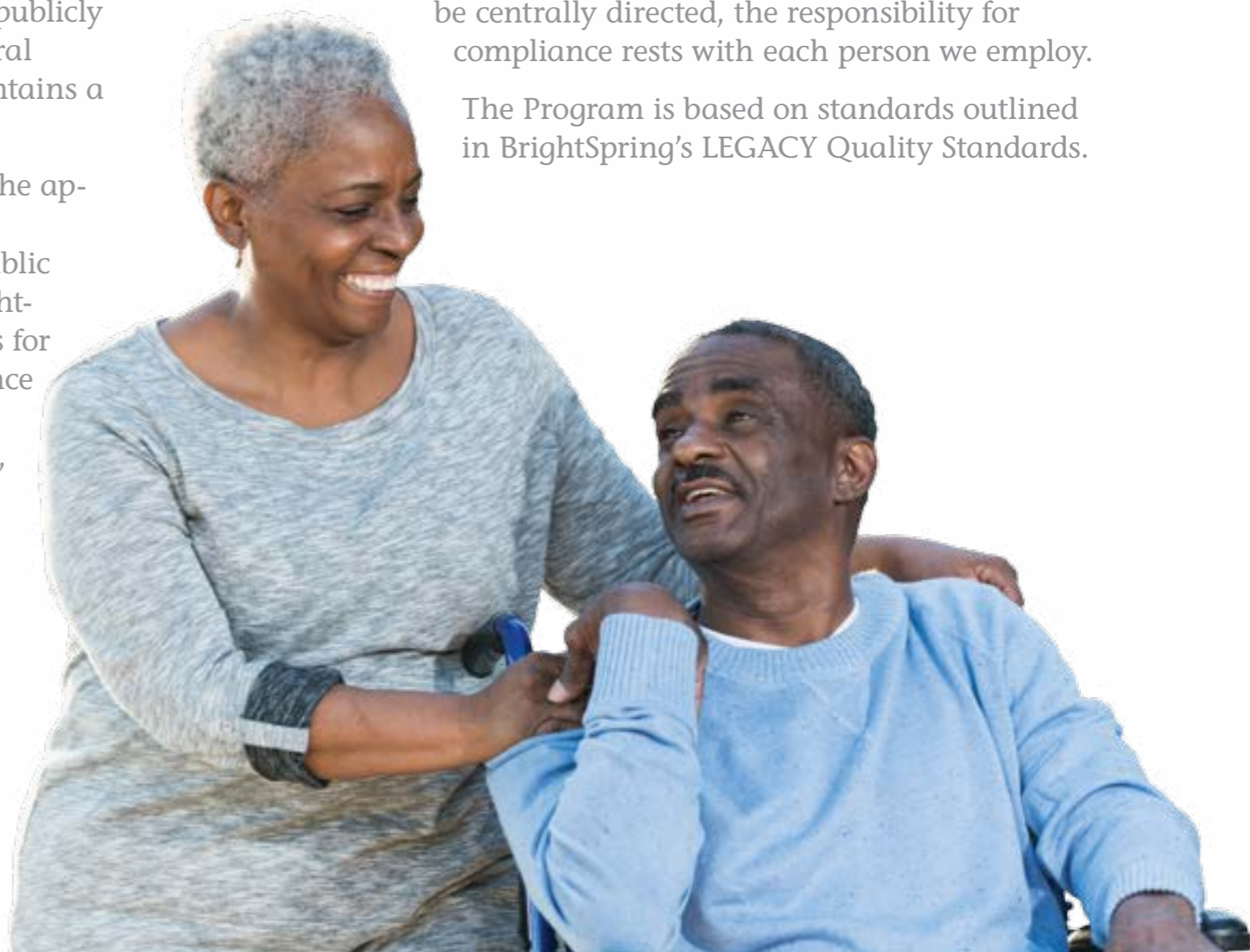
BrightSpring is committed to demonstrating the reliability, honesty, and the highest degree of business integrity expected of a publicly traded company and a participant in local, state and federal programs. Because of this commitment, BrightSpring maintains a Compliance & Ethics Program (the “Program”).

Constant vigilance is necessary to avoid impropriety and the appearance of impropriety as well as to avoid intentional and unintentional inaccuracies in public reporting and public communications about BrightSpring and its business. BrightSpring’s Code of Conduct has been created to set standards for and to promote (1) honest and ethical conduct; (2) avoidance of actual or apparent conflicts of interest; (3) compliance with applicable federal, state and local governmental laws, regulations and rules; (4) compliance with BrightSpring’s policies and procedures; (5) prompt internal reporting to appropriate persons of violations of the Code; (6) full, fair, accurate, timely and understandable disclosure in reports and documents that BrightSpring may file with or furnish to the Securities and Exchange Commission and in other public communications BrightSpring makes; and (7) accountability for adhering to the Code.

Any exception of this Code may be made only by the Board of Directors or its designee and will be promptly disclosed as required by law or stock exchange rules.

Although the implementation and enforcement of the Program will be centrally directed, the responsibility for compliance rests with each person we employ.

The Program is based on standards outlined in BrightSpring’s LEGACY Quality Standards.



# BrightSpring's LEGACY Quality Standards

## ***Leadership***

Everyone is a leader. Establish purpose and coach to make others better. A sense of high integrity and accountability – do what you say you are going to do.

## ***Environment***

A people-focused environment. Collaborate among a trusting team; police your environment. Be transparent and honest and reward good performance. Attract, develop and retain the best people.

## ***Get Going!***

Know your business! Take action to set and hit goals. Work smart and efficiently, moving with a sense of purpose and urgency.

## ***Attitude***

See the possibilities. Take a positive, can-do approach because it is contagious. Aim high and expect excellence. Take ownership and control – continuously improve.

## ***Communication***

Everyone in the know. Coordinate through communicating so people know what's going on.

## ***You!***

Be an example. Set high standards but note progress and the good. Your character shows in everything you do. Do your part, build your team and have fun.

BrightSpring's LEGACY Standards require a commitment from each employee for its success. Employees are expected to follow BrightSpring's LEGACY Quality Standards in their daily interactions with clients and clients' family members, co-workers and other persons they encounter as a part of their employment with the Company.



# Code of Conduct

# Leadership

## *Regulatory and BrightSpring Policy Compliance*

Regulatory Compliance means following all applicable federal laws, regulations and standards such as those set forth by the Centers for Medicare & Medicaid Services (CMS) and the Department of Labor (DOL), along with state and local laws, regulations, and standards. BrightSpring Policy Compliance means following all applicable Company policies and procedures. It is your responsibility to do your part to ensure that all applicable laws and regulations are followed in the course of daily business. While these laws and regulations can sometimes be confusing and complex, you may contact your immediate supervisor, local/regional management team or any member of the Compliance Department to ask any questions.

## *Accrediting Bodies*

Certain operations may be required to or may voluntarily seek accreditation through an accrediting body. Accrediting bodies are outside agencies or organizations that are certified or licensed by federal and/or state government to review and certify that an organization conducts business according to certain standards. Examples of accrediting bodies are the joint Commission for the Accreditation of Healthcare Organizations (JCAHO), Commission on Accreditation of Rehabilitation Facilities (CARF),



and The Council on Quality and Leadership in Support for People with Disabilities. Loss of accreditation can make it difficult for an organization to conduct business. It is important that every person employed at BrightSpring follow the applicable rules and regulations to maintain accreditation from these agencies.

### ***Kickbacks, Gratuities and Anti-Bribery***

Federal and state laws prohibit BrightSpring and its employees from offering anything of value to a person or entity in order to influence or refer a person needing supports. These laws also prohibit BrightSpring and its employees from accepting anything of value under similar circumstances. In addition, BrightSpring policy prohibits the acceptance of gratuities, in the form of gifts or money, from the individuals we support, family members, guardians or vendors. Gifts and/or money should be returned with an explanation that Company policy does not permit acceptance.

Anti-kickback laws can be highly complex so employees should promptly refer any questions to the Compliance Department. The Compliance Department may refer the question to legal counsel, as appropriate.

### ***False Claims***

BrightSpring and its employees are prohibited from filing false claims for payment to federal, state, local or private funding sources. False claims are usually related to billing for services that do not meet federal and/or state laws and regulations. Billing practices that violate these laws include (1) filing a claim for services that were not performed or were not performed as described on the claim form; (2) filing a claim for services that were performed but were not

medically or otherwise necessary; or (3) submitting a claim containing information you know to be false.

The federal False Claims Act and similar state or local laws impose civil liability on any person or entity who submits a false or fraudulent claim for payment to the United States government. A false claim can result in serious civil and/or criminal penalties against BrightSpring and individual employees, including significant financial penalties and criminal prosecution. BrightSpring policies include information on False Claims Acts, employee protections under these laws, and BrightSpring's internal procedures for detecting fraud, waste and abuse.

### ***Marketing Practices***

The marketing practices of BrightSpring must always be based on factual information. We do not engage in negative comments regarding other providers of service. Distortion of the truth or making false claims is strictly prohibited. (See also Kickbacks, Gratuities and Anti-Bribery.)

### ***Antitrust***

The purpose of antitrust laws is to create a level playing field in the marketplace, as well as to promote fair competition. You must always follow all applicable laws and regulations designed to regulate competition. Actions that violate antitrust laws include entering into or negotiating an agreement with a competitor to (1) fix prices (rates) at any level or fix other terms of service; (2) allocate customers or markets; or (3) boycott a supplier or customer. If you have any questions regarding the appropriateness of any form of negotiation or agreement, you should refer your questions to the



Legal Department. However, any suspected violations are to be referred to the Compliance Department. The Compliance Department will consult with legal counsel, as required.

### ***Political Contributions***

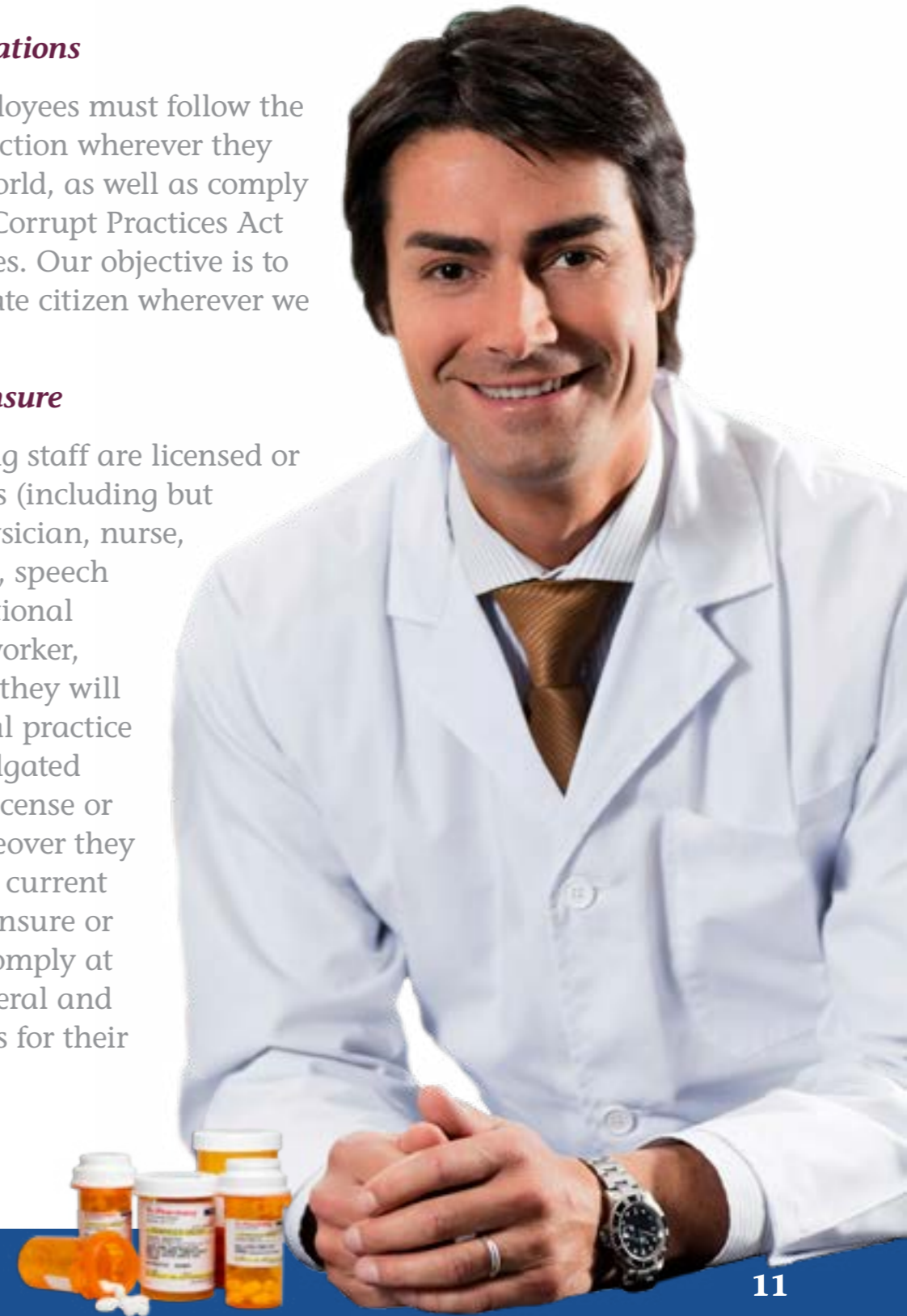
Because public policy issues have the potential to impact the Company's business, its employees, and the people we serve, the Company's management believes that in certain cases it may be appropriate and in the Company's best interests to use its resources to make political contributions. Therefore, if legally permissible, such contributions may be made by the Company with the prior written approval of the Vice President for Government Relations. BrightSpring has also established a Political Action Committee (PAC), which is funded through voluntary contributions from employees. Most political contributions are made by the PAC. The Government Relations Department is responsible for compliance with all federal and state laws. Employees have a constitutionally protected right to support political candidates and issues of their choosing. While engaged in such activities, employees must at all times make clear that their views and actions are their own, and not those of BrightSpring. At times, BrightSpring may alert you of public policy issues that may impact BrightSpring's business. The Company may ask for volunteers to make personal contact with government officials or to write letters to present our position on specific issues. If you have any questions regarding political activity, you may contact the Government Relations Department.

### ***International Relations***

BrightSpring employees must follow the laws of the jurisdiction wherever they are around the world, as well as comply with the Foreign Corrupt Practices Act of the United States. Our objective is to be a good corporate citizen wherever we operate.

### ***Professional Licensure***

If any BrightSpring staff are licensed or certified clinicians (including but not limited to physician, nurse, physical therapist, speech therapist, occupational therapist, social worker, pharmacist, etc.), they will uphold the clinical practice guidelines promulgated for their specific license or certification. Moreover they will maintain the current status of their licensure or credentials and comply at all times with federal and state requirements for their discipline.



# Environment

## *Quality of Supports and Services*

BrightSpring provides individualized quality supports and services to all persons. We treat all people with respect and care.

## *Information Involving People We Support/ Privacy Rules and Guidelines*

All information concerning persons supported by BrightSpring must be considered confidential and access limited to the person supported, guardian or legal representative, persons providing support or other persons specifically authorized.

All programs and services must ensure that the individual's right to privacy is honored at all times. Without specific informed authorization, any information, whether written, electronic or social media, video,





photographic, audio or other personal information, may not be disclosed.

BrightSpring collects information about a person's medical history, social history, treatment history and personal goals and abilities in order to provide the best possible supports. We recognize the sensitive nature of this information and are committed to maintaining confidentiality as required by local, state and federal regulations.

Under the Health Insurance Portability and Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), you may discuss person-specific health/medical information with others only when necessary to provide a service or as required by law. Person-specific information may be released for all other purposes only with written authorization from the person supported or that person's legal guardian, as appropriate.

You may not disclose protected health information that violates the privacy of any person supported because this is a violation of the HIPAA privacy rules. BrightSpring's HIPAA policies and procedures give more specific guidance regarding the privacy rules. Any questions regarding protected health information should be discussed with your Executive Director, Center Director, or Project Director. If a question remains, please refer it to BrightSpring's Chief Compliance and Privacy Officer in the Resource Center.

### ***Rights of Individuals We Support***

BrightSpring is an advocate of rights for the persons supported in all its programs. Each person is provided with a written statement

of rights when services with BrightSpring begin. Family and/or legal guardians are also given a copy of this statement of rights. The statement includes the civil rights of the person supported to make informed decisions regarding services and supports.

As providers, we will also be sensitive to cultural beliefs and practices of the people we support.

### ***Professional Boundaries***

BrightSpring places a high priority on our relationships with the people we support. You must maintain the highest level of professional conduct when building relationships with individuals we support, their families and their friends. This includes maintaining physical boundaries by respecting personal space. You must treat all persons we support with equal respect and avoid having "favorites" or treating a person we support "special" in relation to other people we support. You must be aware of policies at your operation regarding relationship boundaries with the people we serve.

### ***Abuse and Neglect***

BrightSpring does not tolerate abuse and neglect of the individuals we support. If you are aware of abuse or neglect, your obligation is to report it immediately through the established channels at your operation. There are time frames for reporting such incidents in each state, and it is very critical for you to follow the guidelines at your operation. It is your responsibility to uphold the mission statement of providing respect and care.

### ***Safety***

BrightSpring operations must comply with all company, local,

state and federal rules/regulations that promote the protection of workplace health and safety. You must be familiar with safe workplace practices and safety regulations related to your job and to your working environment. It is important for you to report to your supervisor any workplace injury, as well as any situation presenting a danger of injury so that it can be corrected immediately.

### ***Funds and Private Property of People We Support***

BrightSpring employees may not wrongfully or unlawfully use funds, property or the identities of individuals we support. BrightSpring will not tolerate the misappropriation of assets whether in the custody of BrightSpring or in the custody of the individual. BrightSpring employees have a duty to maintain adequate records of an individual's funds and property in the company's custody so that the funds and property may be promptly accounted for or delivered to the individual we support or their designated representative upon request. An individual's assets in the custody of BrightSpring shall be used only for the means intended for the benefit of the individual. In addition, BrightSpring employees may not purchase or borrow money or belongings from individuals we support or their family members.

### ***Alcohol- and Drug-Free Work Environment***

BrightSpring is committed to an alcohol-free and drug-free work environment to protect the interests of our employees and the people we support. You must report for work free of the influence of alcohol and illegal drugs. Reporting to work under the influence of alcohol or any illegal drug, having alcohol or any illegal drug in your system, or using, possessing or distributing any illegal drug while on work time or property will result in corrective action, up to and including termination of employment.



### ***Harassment, Discrimination and Workplace Violence***

You have the right to work in an environment free of harassment and/or discrimination. BrightSpring will not tolerate harassment or discrimination by anyone based on the personal characteristics or cultural backgrounds of those who work with us or whom we support. Degrading or humiliating jokes, slurs, intimidation, or other harassing conduct, regardless of the medium in which it is shared, is not acceptable in our workplace.

Any form of sexual harassment is strictly prohibited. This prohibition includes unwelcome sexual advances or requests for sexual favors in conjunction with employment decisions.

Harassment also includes incidents of workplace violence. Workplace violence includes threats of physical violence, robbery and other commercial crimes, stalking or domestic violence, violence directed at the employer, terrorism and hate crimes committed by current or former employees.

As part of our commitment to a safe environment for our employees and the individuals we serve, we prohibit employees from possessing firearms, other weapons, explosive devices or dangerous materials on BrightSpring premises.

If you observe or experience any form of harassment, discrimination or workplace violence you must report the incident to your immediate supervisor, local management, regional management, BrightSpring's Human Resources Department or BrightSpring's Compliance Department.

### ***Equal Employment Opportunity***

BrightSpring is committed to providing an equal opportunity work environment. We will comply with all laws, regulations and policies related to non-discrimination in all of our personnel actions. Such actions include hirings, staff reductions, transfers, employment terminations, performance evaluations, recruiting, compensation, corrective action and promotions.

### ***Retaliation***

Employees have a responsibility to report concerns about actual or potential wrong-doing either witnessed or suspected. Both direct and anonymous reporting mechanisms are available to all BrightSpring employees to assist in meeting this responsibility.

BrightSpring's non-retaliation policy protects employees, who in good faith, report known or suspected instances of inappropriate business conduct or activity that violates local, state or federal regulations or Company policy. Supervisors, managers or employees are not permitted to engage in retaliation, retribution or any form of harassment or discrimination directed towards an employee who reports a good faith compliance concern.





# Get Going!

## *Corporate Opportunities*

BrightSpring employees owe a duty to BrightSpring to advance the Company's legitimate interests when the opportunity to do so arises. You may not take for yourself a corporate opportunity that is discovered in the course of your BrightSpring employment or representation or through the use of corporate property, information or position, nor may you compete against BrightSpring.

## *Conflicts of Interest*

Employees shall not engage in any activities that conflict or might appear to conflict with the interests of BrightSpring or its subsidiaries and shall bring to the attention of the BrightSpring Compliance Department any information about any actual or apparent conflicts of interest involving employees or others with respect to BrightSpring.

A conflict of interest occurs when an employee's private interests interfere in any way with the interests of BrightSpring. A conflict of interest may also exist if the demands of any outside activities distract you from the performance of your job or cause you to use BrightSpring's resources for a non-BrightSpring purpose. An employee's obligation to conduct BrightSpring's business in an honest and ethical manner includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. You must remain free of conflicts of interest for the proper performance of your responsibilities.



Before making any investment, accepting any position or benefits, participating in any transaction or business arrangement or otherwise acting in a manner that creates or appears to create a conflict of interest, an employee must make full disclosure of all facts and circumstances to BrightSpring's Legal Department, and obtain the prior written approval of BrightSpring's Chief Legal Officer. The disclosure obligations of employees extend to disclosure of changed circumstances relating to apparent or actual conflicts of interest.

### ***Reporting of Time Worked and Services Provided***

Each employee of BrightSpring is responsible for the timely and accurate reporting of time worked and documenting services provided. Any falsification of hours or services is a serious violation of company policy and will result in corrective action, up to and including termination of your employment.

### ***Financial Disclosure, Insider Information and Securities Trading***

While BrightSpring is not a publicly traded company, from time to time its executive and financial officers may make full, fair, accurate, timely and understandable disclosures in periodic reports filed by BrightSpring with the Securities and Exchange Commission (SEC). The CEO and senior financial officers shall be responsible for BrightSpring's policies and procedures that provide the most accurate and truthful reporting of BrightSpring's business and financial performance and shall promptly bring to the attention of the Audit Committee or its designee any material information of which they may become aware that may affect the disclosures made by BrightSpring in its filings.

As an employee, you may become aware of nonpublic information

about BrightSpring that would influence another person to buy, hold or sell stock. This is known as "insider information." Securities law and BrightSpring policy prohibit individuals from trading in BrightSpring stock or other marketable securities on the basis of non-public material information or from influencing others to trade in such securities based on this information.

Non-public insider information may include discussions or plans regarding expansion, marketing strategy, financial results or other business activity. You may not discuss this type of information with anyone outside BrightSpring. At work, you should discuss this information on a strictly "need to know" basis only with other employees who require this information to perform their jobs.

If you obtain access to non-public material information about the company while performing your job, you may not use that information to buy, sell or retain securities of BrightSpring or any other company. Even if you do not buy or sell securities based on what you know, discussing the information with others, such as family members, friends, vendors, suppliers and other outside acquaintances is prohibited. If you have any questions regarding insider trading/security trading, you should refer your questions to the Legal Department.

### ***Background Checks***

Background checks may include social security, motor vehicle, government sanctions/exclusions and criminal history for each new employee, volunteer or intern as consistent with your operation's policy. Retention or contracting of independent contractors, vendors, temporary agencies and/or other business associates must also be screened in accordance with BrightSpring's Screening/Interview Process policy.



BrightSpring will not knowingly hire, retain, employ or contract with any individual or entity that has been excluded from participation in any state- and/or federally-funded program. BrightSpring also will not knowingly conduct business or continue to conduct business with any individual or entity, whether independent contractor, sub-contractor, supplier or vendor, who has been excluded from participation in any state- and/or federally-funded program.

You must advise your immediate supervisor, local management team or the Compliance Department if you become ineligible to participate in state- and/or federally-funded programs.

Verification of licenses, certifications, and scholastic information must be made through the appropriate licensing or certifying agency. Failure to obtain proper verification may result in the filing of a false claim if the employee or contractor providing the service

was later found not to be properly credentialed.

### ***Controlled Substances***

In many operations, only a nurse can administer medication. If you are unaware of who administers medication at your operation, ask your supervisor. If medication administration is included as part of your responsibilities, you will have routine access to prescription drugs, controlled substances and other medical supplies. It is extremely important that these items be handled and accounted for properly. You must be trained in accordance with operation/state policy to administer medications. Medications must only be used for the person to whom they are prescribed. If you become aware of the removal or diversion of drugs or medical supplies from BrightSpring, you must report the incident immediately through established operational procedure.



# Attitude

## *Violations of the Code of Conduct*

The Board of Directors shall determine, or designate appropriate persons to determine, appropriate actions to be taken in the event of violations of the Code of Conduct. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code of Conduct and may include progressive corrective action, written notice to the individual involved that there has been a violation, demotion or reassignment of the individual involved, suspension with or without pay or benefits or termination of the individual's employment. In determining what action is appropriate, all relevant information shall be taken into account, including the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action and whether or not the individual in question had committed other violations in the past.



# Communication

## *The Compliance Action Line*

The Compliance Action Line is available to supplement your existing internal communication channels. The Compliance Action Line is intended to be used to report compliance-related concerns. You should first attempt to communicate your concerns through your existing internal communication channels, such as your immediate supervisor and/or local/regional/divisional management team. If the existing internal communication channels seem inappropriate, you may either write, email or call the Compliance Department (800.866.0860, ext. 2659).

You may call the BrightSpring Compliance Action Line at 866.293.3863 at anytime. A trained interviewer will be available 24 hours a day, 365 days a year. Calls to the Compliance Action Line will not be traced and will be treated confidentially. You may remain anonymous if you choose.



No caller will be subject to retaliation for bringing forth a good faith concern. Anyone who attempts to retaliate against an employee who has made a call to the Compliance Action Line in good faith will be subject to corrective action, up to and including termination of employment.

Any person using the Compliance Action Line to purposely report false information or to attempt to settle personal grievances by making false reports or repeating reckless gossip will be subject to corrective action.

Remember, the Compliance Action Line is available to supplement existing communication channels. It is NOT intended to replace your local management team or procedures for reporting critical incidents.

In addition to the Compliance Action Line, BrightSpring's website, [www.BrightSpringHealth.com](http://www.BrightSpringHealth.com), offers a contact section for email access to the Compliance Department as another method to communicate compliance concerns.

### ***Confidentiality***

Confidential information may be used to perform your job, but it must not be given to others outside BrightSpring or your department unless authorized by your supervisor.

All programs and services must ensure that the privacy of the individuals we support is honored at all times. Without specific informed authorization, any information, whether written, electronic/social media, video, photographic, audio or other personal information may not be disclosed.

Confidential information about BrightSpring's strategies and operations is a valuable asset. Confidential information includes personnel data maintained by the company, lists of persons supported, file records of persons supported, individual service plans, individual plans of care, clinical information, pricing and cost data. It also includes, but is not limited to, information pertaining to acquisitions, divestitures, affiliations and mergers, financial data, research data, strategic plans, marketing strategies/techniques, employee lists and data maintained by the company, supplier and subcontractor information and proprietary computer software. (Also see sections: Information Involving People We Support /Privacy Rules and Financial Disclosure, Insider Information and Securities Trading.)





### ***Electronic Media***

BrightSpring's communications systems, including electronic mail (email), intranet, internet access and voice mail, are the property of BrightSpring.

BrightSpring reserves the right to periodically access, monitor and disclose the contents of intranet, email and voice mail messages. Access and disclosure of individual employee messages may only be done with the approval of the Legal or Compliance Departments.

Employees may not use internal communication channels or access to the internet to post, store, transmit, download or distribute any threatening, reckless, maliciously false, pornographic or obscene materials. This includes anything constituting or encouraging a criminal offense, giving rise to civil liability or otherwise violating any laws.

Employees who abuse our communications systems or use them excessively for nonbusiness purposes may lose these privileges and be subject to corrective action, up to and including termination of employment.

### ***Information Security***

To ensure regulatory compliance, BrightSpring computer users are expected to maintain good security practices by being familiar with and following the Company's Information Systems Security Policy. You are expected to ensure the confidentiality (privacy) of sensitive data by only disclosing it when there is a "need to know," not accessing sensitive information for the sake of curiosity, keeping portable electronic devices appropriately secured, and locking computer workstations before stepping away from your desk.

To maintain a secure operating environment, it is important that you save all files on BrightSpring servers rather than directly onto computer workstations, never share passwords, never write down passwords, choose complex and hard-to-guess passwords, report suspicious and unusual activity, and never open email attachments from suspicious or unknown sources.

Immediately advise BrightSpring's Information Technology (IT) Department, Legal Department and Compliance Department of any information security breach or theft/loss of any electronic data or device, including mobile phones, laptop computers or portable storage device (USB drive).

### ***Outside Contacts***

BrightSpring's Communication Department will advise your department/operation regarding any known or expected media inquiries.

You must immediately contact your supervisor or local management in the event that outside media should appear at your workplace asking questions or requesting to enter the premises. You have no obligation to allow any unauthorized personnel into your work premises. It is a breach of privacy to allow such unauthorized personnel into the residence of a person we support.

# You!

## *Managing Company Resources and Assets*

It is your responsibility to preserve BrightSpring's assets including employee time, materials, supplies, equipment and information. Such assets are to be maintained for business-related purposes. BrightSpring maintains a system of internal controls to reasonably ensure that company assets are properly used for business purposes. As a general rule, you may not use any BrightSpring asset for your own personal use without your supervisor's permission. Any community or charitable use of company resources and/or assets must be approved in advance by your supervisor.

You may not use BrightSpring's resources or assets for your own personal financial gain. You are expected to manage and protect the assets of our company and of the people that we support. Any improper financial gain to you through misconduct involving BrightSpring or the property of individuals we support is strictly prohibited. Misconduct includes the outright theft of





property, stealing or misuse of money belonging to BrightSpring or the people that we support. Misuse of BrightSpring's assets and those of the people we support is a serious violation of company policy and will result in corrective action, up to and including termination of employment and possible legal action.

### ***Purchase Card Usage***

Purchase Card (PCard) usage should be limited to petty cash type transactions. Any exceptions to this policy must be approved by a BrightSpring Senior Vice President. PCards may not be used to bypass the normal approval and purchasing process.

Because PCards are used just like cash, the same standards and precautions that are followed to protect petty cash should be used for PCard purchases. Any employee who has been approved to use a PCard is responsible for using it properly and responsibly, according to appropriate company policy for its use.

Employees who abuse the PCard system or use the PCard for nonbusiness purposes may lose these privileges and be subject to corrective action, up to and including termination of employment.

### ***Billing for Services***

BrightSpring is committed to ensuring that all billing and reimbursement practices comply with federal and state laws, regulations, guidelines and policies. All bills must be accurate and timely and reflect current rates. This refers to all funding sources such as Medicaid, Medicare, U.S. Department of Labor and other government-funded contracts as well as private insurance and private payers.

In situations where the documentation that services were provided is the employee's signed time sheet, the employee must be aware that the time sheet becomes a billing document and it must be completed accurately and completely. Any falsification of hours or information on a time sheet may translate into incorrect billing and reimbursement. (Also see section: Reporting of Time Worked and Services Provided.)

BrightSpring prohibits any employee from knowingly or intentionally causing or submitting billings that are false. Any employee who knowingly falsifies billing documentation will be subject to corrective action, up to and including termination of employment.

BrightSpring implements oversight systems to ensure that billing accurately reflects only services properly provided. Complete and accurate documentation of services provided is critical for accurate billing to occur. Any suspected violations are to be referred to your regional/divisional management AND the Compliance Department.

### ***Cost Reports***

Much of our business involves reimbursement under government programs that require the submission of certain reports of our costs of operation. We will comply with state and/or federal regulations relating to all cost reports. These regulations define what costs are allowable and how to claim reimbursement for the cost of services provided to the people we support. Given the complexity of issues related to the completion and submission of cost reports, all questions or concerns regarding cost reports must be communicated to our Reimbursement Department.

### ***Accuracy, Retention and Disposal of Documents and Records***

Records include paper documents, such as letters and memos; computer-based information such as email, computer files on hard drive, USB, cloud or any other storage device; and, any other medium that contains information about BrightSpring, our business activities or the people we support.

All records must be retained in accordance with the applicable law and record retention policies specific to your operation or department. Record destruction may occur only according to BrightSpring policy. Any employee who falsifies or improperly destroys records will be subject to corrective action, up to and including termination of employment.



# Identifying a Compliance Issue

When identifying a compliance issue, you should ask yourself the following questions:

- Is the action legal?
- Is the action ethical?
- Is the action supported by BrightSpring's Code of Conduct?
- Is the action supported by Company policy?
- Is it the "right thing to do"?

If your answer to these questions indicate a possible violation of state, local or federal regulations of Company policy you must report the issue.

**See It ~ Say It!**

**BrightSpring's Compliance Action Line: 866.293.3863**



**BrightSpring's Compliance & Ethics Department Contact Number**

**800.866.0860**

**or**

**502.394.2100 (If in Louisville)**

**To report compliance concerns at our Canadian or Puerto Rico operations, use our web-based reporting:**

**<https://secure.ethicspoint.com/domain/media/en/gui/55619/index.html>**

*9901 Linn Station Road*

*Louisville, Kentucky 40223*

*502.394.2100*

*[www.BrightSpringHealth.com](http://www.BrightSpringHealth.com)*

**ACTION LINE: 866.293.3863**