

**AGREEMENT  
BETWEEN  
THE WORKFORCE DEVELOPMENT BOARDS OF MONTEREY AND SANTA CRUZ COUNTIES**

This Agreement is made and entered into, effective the 1<sup>st</sup> day of December 2020 by the Monterey County Workforce Development Board, hereinafter called “MCWDB” and the Workforce Development Board of Santa Cruz County, hereinafter called “SCCWDB,” both of which are collectively referred to as “the parties.”

**Now, therefore, the parties agree as follows:**

**1. Purpose**

The purpose of this Agreement is to establish a cooperative and mutually beneficial relationship among the undersigned parties. This Agreement sets forth the responsibilities of the parties as they relate to the High Road Construction Careers (HRCC): Senate Bill 1 (SB1) Pre-Apprenticeship Training grant from the State of California Workforce Development Board funded under the Road Repair and Accountability Act of 2017.

MCWDB is the lead agency for this proposal and has formed partnerships with the workforce boards of Santa Cruz and San Benito counties. MCWDB is the fiscal agent for the grant. This grant is intended to bolster the economic competitiveness of the Monterey Bay region by implementing a transportation infrastructure-focused “earn-and-learn” job training and placement program targeting women, disaffected youth (ages 18-25) ethnic and racial minorities, and formerly incarcerated individuals.

**2. Term**

The term of this Agreement, with respect to the HRCC: SB1 grant, commences on December 1, 2020 and terminates on August 31, 2022.

**3. Operational and Fiscal Provisions**

The total HRCC: SB1 award is \$576,125, to serve a total of 110 participants. Grant funds will be administered through MCWDB for the implementation of activities specified as follows:

**MCWDB will:**

- a. Convene all project partners for the purposes of confirming site locations, establishing a timeline for Multi-Craft Core Curriculum (MC3) training to begin, and convening an Advisory Council.
- b. Convene at least one (1) Advisory Council meeting per training cohort for a minimum of six (6) meetings during the project.
- c. In coordination with the Monterey/Santa Cruz Building Trades Council, develop outreach and recruitment materials for use in all counties.

- d. Appoint staff to administer the grant and retain up to \$175,375 for staff time, supportive services, and administrative costs (includes 10% of the overall grant award).
- e. Review all invoices and reports received from SCCWDB, verify compliance with the grant requirements and this Agreement, and forward all invoices for reimbursement to the Fiscal Division of the MCWDB for payment.
- f. Reimburse SCCWDB for up to \$5,000 for activities associated with the HRCC: SB1 grant project.
  - 1) Subject to receipt of funds from the State, WDB's fiscal office shall approve the reimbursement for services rendered as outlined in Exhibit C of this Agreement.
  - 2) WDB shall reimburse Contractor for allowable expenditures claimed, within forty-five (45) calendar days after timely receipt of Contractor's properly completed and documented request, or as soon thereafter as is reasonable, provided Contractor is following the terms and conditions of this Agreement.
- g. Develop an Agreement with the Monterey/Santa Cruz Counties Building & Construction Trades Council for the provision of MC3 curriculum.
- h. Track HRCC: SB1 grant expenditures, prepare and submit reports to the State of California, and monitor HRCC: SB1 grant activities to ensure compliance with the grant terms and conditions outlined in the grant application.
- i. Lead the evaluation of the HRCC: SB1 grant to include identifying lessons learned/best practices.

**SCCWDB will:**

- a. Conduct outreach to eligible adults including women; disaffected youth with barriers to education and employment, ages 18-25; racial and ethnic minorities; and formerly incarcerated individuals.
- b. Participate on the program Steering Committee via email, conference call, Zoom or equivalent platform, and/or in-person meetings as necessary.
- c. Participate on the program Advisory Council monthly until the training program is underway, then meeting on a quarterly basis via conference call, Zoom or equivalent platform, and/or in-person, for the duration of the Agreement.
- d. Refer potential SB1 participants to the Monterey/Santa Cruz Building Trades Council Training & Education Fund (approximately 8-9 per training cohort) to ensure that WIOA supportive services are available for the participants in the program's six training cohorts as identified in Exhibit B: Participant Plan.
- e. Ensure that all participants receive both ACT WorkKeys Ready 101 skill remediation training and pre-assessments.
- f. Ensure that all participants receive ACT WorkKeys post-testing.
- g. Provide WIOA Intensive, Supportive, and Retention services to participants as outlined in Exhibit A: Program Model.
- h. Provide data collection and reporting necessary to complete an evaluation of the project.

- i. Maintain financial accounts, records, and data related to this Agreement in accordance with federal and/or state requirements and maintain those books, accounts, records and data for three (3) years after termination of this Agreement. For the duration of this Agreement, and for a period of three (3) years thereafter, either party's representatives and representatives of the California Workforce Development Board, and the Auditor General of the State of California shall have the right to examine these books, accounts, records, data and other information relevant to this Agreement for the purpose of auditing and verifying statements, invoices, bills and revenues pursuant to this Agreement.
- j. Use Exhibit E: Invoice for Reimbursement and follow the County of Monterey's Travel and Business Expense Reimbursement Policy when submitting requests to MCWDB for travel cost reimbursements. For specific receipts required for travel cost reimbursements, SCCWDB shall reference the County's expense reimbursement policy online at: <https://www.co.monterey.ca.us/home/showdocument?id=12260>. The MCWDB will reimburse for only those travel expenses allowed by the County of Monterey's Travel and Business Expense Reimbursement Policy and at the current IRS allowable rate. The 2020 IRS mileage rate allowance is \$.575 per mile.

<b>Grant Activities:</b>	<b>Amount Awarded</b>
SCCWDB Grant Oversight Services	\$5,000

The entire project budget is included for SCCWDB's reference in Exhibit C: Budget Narrative.

**4. General Provisions**

- a. SCCWDB agrees to comply with Exhibit D: WIOA Certifications and Assurances, attached to this Agreement.
- b. This Agreement constitutes the entire agreement and understanding between the parties, and supersedes any prior or contemporaneous agreement, or understandings, if any, with regard to the purposes of this Agreement. Any changes or modifications shall be accomplished only by a written amendment to this Agreement, executed by the duly authorized representatives of the parties.
- c. In the event of a dispute arising out of the performance of this Agreement, the parties may send a written notice of dispute to the other party. Within seven (7) business days of receipt of such notice, the notified party shall respond and agree to a meeting for the purpose of negotiating a settlement or procedure for settlement of the dispute. Any notice to be given to the parties hereunder shall be addressed as follows (until notice of a different address is given to the parties):

MONTEREY COUNTY  
 Christopher Donnelly  
 Executive Director, Monterey County Workforce Development Board  
 344 Salinas Street, Salinas, CA 93901  
 831-759-6644  
 831-796-3324 (FAX)

SANTA CRUZ COUNTY

Andy Stone,  
Director, Santa Cruz County Workforce Development Board  
18 W. Beach Street, Watsonville, California 95076  
(831)763-8824  
(831)763-8786 (FAX)

Notice shall be deemed satisfied within one (1) business day if provided by personal service, by electronic transmission or by facsimile. Notice shall be deemed satisfied within three (3) business days if provided by certified mail.

d. **Indemnification**

SCCWDB shall indemnify, defend, and hold harmless the MCWDB and County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by SCCWDB and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the MCWDB or the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the MCWDB and the County. The SCCWDB shall reimburse the MCWDB and the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the SCCWDB is obligated to indemnify, defend and hold harmless the MCWDB and the County under this Agreement.

The MCWDB and the County shall indemnify, defend, and hold harmless the SCCWDB, its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by the MCWDB or the County and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the SCCWDB. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the SCCWDB. The MCWDB or the County shall reimburse the SCCWDB for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the MCWDB or the County is obligated to indemnify, defend and hold harmless the SCCWDB under this Agreement.

e. **Insurance**

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

This verification of coverage shall be sent to the County's, Contracts/Purchasing Department, unless otherwise directed. The SCCWDB 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 the County. This approval of insurance shall neither relieve nor decrease the liability of SCCWDB.

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 each party's duty to indemnify, each party shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

- 1) Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Providers, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
- 2) 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 \$1,000,000 per occurrence.
- 3) Workers' Compensation Insurance, if either party 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 \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.
- 4) 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, each party 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 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 each party completes its performance of services under this Agreement.

Each liability policy shall provide that the 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 each party 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 County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the each party'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 County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by each party'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 County, each party shall file certificates of insurance or proof of self-insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that each party has in effect the insurance required by this Agreement. Each party 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.

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

- f. If any provision of this Agreement, or the application thereof to any person, place, or circumstances, shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this agreement and such provisions as applied to other persons, places, and circumstances shall remain in full force and effect.
- g. This Agreement shall be interpreted and applied according to the laws of California.

*This section intentionally left blank.*



**Santa Cruz County Board of Supervisors  
Chief Elected Official  
Santa Cruz County Workforce Development Area**

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Chair, Santa Cruz County Board of Supervisors

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Date

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Andy Stone, Executive Director,  
Santa Cruz County Workforce Development Board

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Date

**Approved as to form:**

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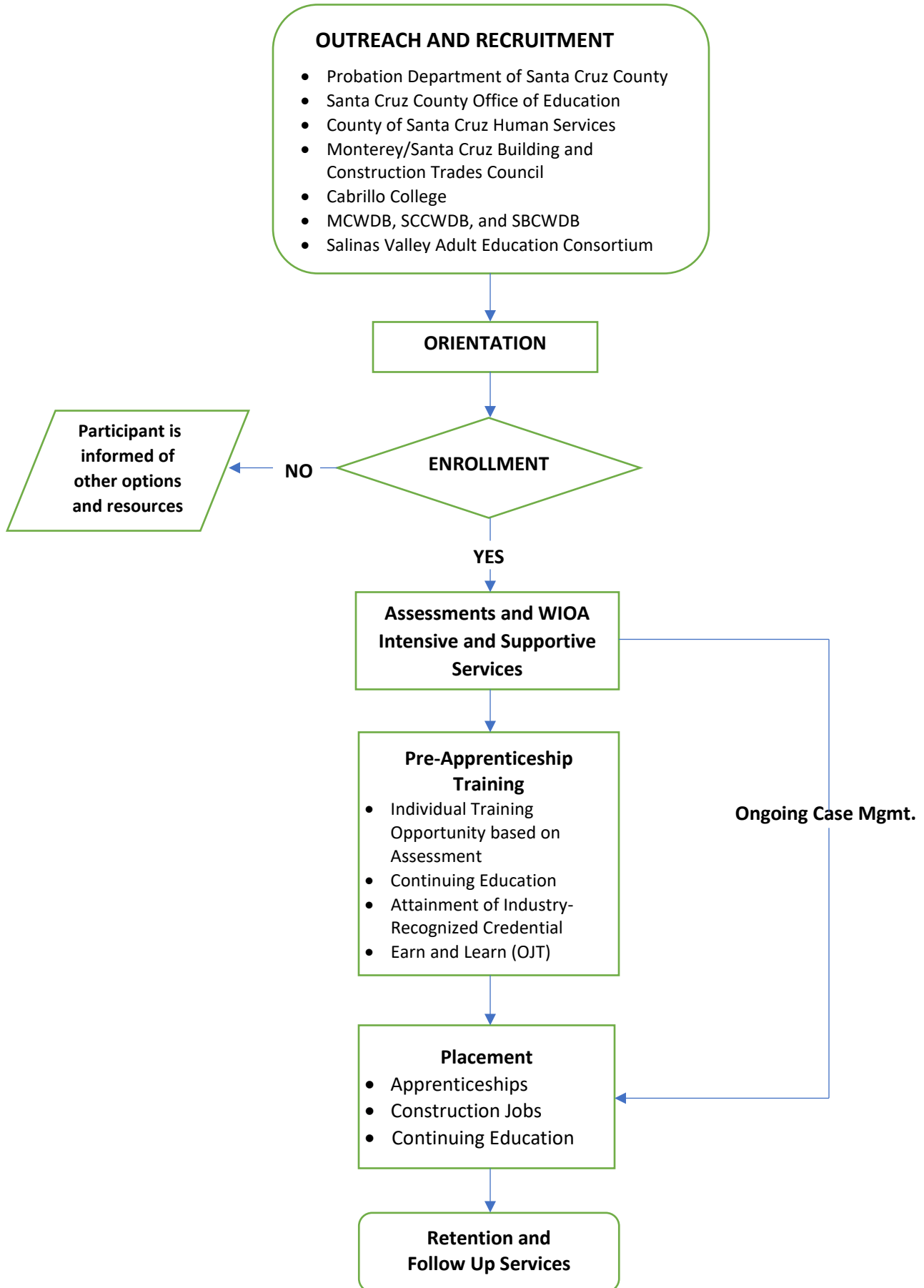
County Counsel, Santa Cruz County

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Date



**EXHIBIT A**  
**SB1 PRE-APPRENTICESHIP PROGRAM MODEL**



<b>Fiscal Agent:</b>	Monterey County
<b>Region:</b>	3
<b>Project Name:</b>	Monterey Bay Collaborative

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	
	9/1/20- 12/31/20	1/1/21- 3/31/21	4/1/21- 6/30/21	7/1/21- 9/30/21	10/1/21- 12/31/21	1/1/22- 3/31/22	4/1/22- 6/30/22	7/1/22- 8/31/22	<b>TOTALS</b>

<b>Participants to be Served</b>										
<b>Individuals to be Served (Unique Individuals)</b>		<b>17</b>	<b>19</b>	<b>17</b>	<b>18</b>	<b>20</b>	<b>19</b>	<b>follow up</b>	<b>follow up</b>	<b>110</b>
Priority Pop.	Disadvantaged Youth	3	3	3	4	4	5			22
Priority Pop.	Ex-Offenders	7	8	7	7	8	7			44
Priority Pop.	Women	1	1	1	1	1	1			6
Priority Pop.	Underserved Racial/Ethnic Minorities	6	7	6	6	7	6			38
Indicate Other:										0
Indicate Other:										0
Indicate Other:										0
<b>Training</b>										
<b>Enrollment into MC3 Pre-Apprenticeship Training</b>		<b>17</b>	<b>19</b>	<b>17</b>	<b>18</b>	<b>20</b>	<b>19</b>			<b>110</b>
<b>Completion of MC3 Pre-Apprenticeship Training</b>			15	15	15	14	15	15		<b>89</b>
<b>Attained Industry-Identified Certificate or Credential</b>				12	13	13	13	13	12	<b>76</b>
<b>Placement</b>										
<b>State-Approved Apprenticeship</b>		<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>30</b>
Indicate Craft:	Painters						1	1	1	3
Indicate Craft:	Carpenters			1	1	1	1	2	2	8
Indicate Craft:	Laborers			1	1	2	2	2	2	10
Indicate Craft:	Operating Engineers								1	1
Indicate Craft:	Electricians					1	1	1	1	4
Indicate Craft:	Plumbers					1	1	1	1	4
<b>Postsecondary Education</b>				2	2	2	2	2	2	12
<b>Employment</b>		<b>0</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>36</b>
	Construction Sector Occupation Placement			4	4	5	5	5	5	28
	Non-Construction Sector Occupation Placement (Other)				1	1	2	2	2	8

<b>Fiscal Agent:</b>	Monterey County
<b>Region:</b>	3
<b>Project Name:</b>	Monterey Bay Collaborative

<b>1. Staff Salaries and Fringe Benefits</b>				
<b>Job Titles of Staff</b>	<b>Salaries</b>	<b>Fringe Benefits</b>	<b>Benefits %</b>	<b>Total</b>
Case Manager (contracted) ResCare (.53fte)	\$47,049.00	\$24,951.00	53%	<b>\$72,000.00</b>
WDB Oversight/Monterey County/WDB ED/Analyst (.04fte)	\$3,575.00	\$1,425.00	40%	<b>\$5,000.00</b>
WDB Oversight/San Benito County/WDB ED/Analyst (.04 fte)	\$3,575.00	\$1,425.00	40%	<b>\$5,000.00</b>
WDB Oversight/Santa Cruz County/WDB ED/Analyst (.04 fte)	\$3,575.00	\$1,425.00	40%	<b>\$5,000.00</b>
<b>Subtotal</b>	<b>\$57,774.00</b>	<b>\$29,226.00</b>		<b>\$87,000.00</b>
<b>Budget Line Item</b>	<b>Narrative Details</b>			<b>Budget Amount</b>
<b>2. Staff Travel</b>	MCWDB staff local travel (\$500); staff-Community of Practice meetings @ \$2,000 ea. (\$6,000) (3 mtgs-Sac & others); Mileage for Case Manager meetings with Participants (\$4,500)			<b>\$11,000.00</b>
<b>3. Operating Expenses</b>				
Facilities Rent	Training site for 6 cohorts, to assist in covering Utilities			<b>\$17,000.00</b>
Office Supplies	Supplies for Case Manager and Fiscal Staff			<b>\$3,000.00</b>
Communications	Printing of Brochures and Flyers			<b>\$1,500.00</b>
<b>4. Equipment Purchases &amp; Furniture</b>				
Purchases	Instructional materials, tools (hammers, drills, etc.) for classroom training for MC3 Participants			<b>\$18,000.00</b>
Leases				<b>\$0.00</b>
<b>5. Instructional Materials and Supplies</b>	Participants tools bags - 110 participant x \$150. For Completion of MC3 Training and Graduation.			<b>\$16,500.00</b>
<b>6. Tuition Payments/Vouchers</b>				<b>\$0.00</b>

<b>7. Training Costs</b>	Boot camp and 6 cohorts of MC3 training to the Santa Cru/Monterey Building and Trades Council. Contributions for local Apprenticeship Coordinators for Outreach, interviews with participants and visits to Apprenticeship training centers. \$600, per trade, per class, \$21,600.		<b>\$233,100.00</b>
<b>8. Work Experience Wages - WEX</b>			<b>\$0.00</b>
<b>9. Supportive Services</b>	Work boots and Safety Equipment for 110 participants at \$195.00 per participant. Stipends for gas and Transportation for attending training, due to trainings being held in Castroville. A \$300, stipend for the successful completion and certification of the MC3 training. The MCWDB will make available Supportive Services to participants who are enrolled in the WIOA program up to \$1,000, for childcare, clothing and other needs to assist them while they are in training as part of in-kind match.		<b>\$109,450.00</b>
<b>10. Indirect Costs</b>	indirect at 10% for the lead entity: Monterey County		<b>\$52,375.00</b>
<b>11. Other Program Services</b>	Contract with Adult Ed Providers and for ESL, Math. GED, training (\$20,000). Contract with ResCare or Adult ED, for Job Readiness Workshops, \$1,200 per cohort (\$7,200).		<b>\$27,200.00</b>
<b>Total Budget Amount of Awarded Fund:</b>			<b>\$576,125.00</b>

## EXHIBIT D

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

The following applies to all programs and/or projects funded under the Workforce Innovation and Opportunity Act (WIOA) conducted by the SCCWDB, 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) of 2014; the Office of Management and Budget (OMB) Uniform Administrative Requirements, Allowable Costs, Cost Principles, and Audit Requirements for Federal Awards, Final Rule at 2 Code of Federal Regulations (CFR), Chapter I and Chapter II, Part 200, et al (hereafter referred to as Uniform Guidance 2 CFR Part 200); and the Department of Labor's (DOL) exceptions at 2 CFR Chapter II, Part 2900, et al. (hereafter referred to as DOL Exceptions 2 CFR Part 2900); and all regulations, legislation, 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 the WIOA.
- c. The provisions of Public Law 107-288, Jobs for Veterans Act, as the law applies to DOL job training programs.
- d. Contractor will ensure diligence in managing programs under this Agreement, including performing appropriate monitoring of its activities and taking prompt corrective action against known violations of the WIOA. Contractor agrees to conform to the provisions of the WIOA and the contract requirements as referenced in Uniform Guidance 2 CFR Part 200, Appendix II and DOL Exceptions 2 CFR Part 2900, Appendix II to Part 200.

#### 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. **American's Disabilities Act (ADA):** Contractor agrees to comply with the American's 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.)
- c. **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).

- d. **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.
- e. **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.
- f. **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).
- g. **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.
- h. **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.
- i. **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.
- j. **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).

k. **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 Order 12549, Debarment and Suspension, Uniform Guidance 2 CFR Part 200, Appendix I, and that Contractor, to the best of its knowledge and belief, certifies 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.

l. **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.

m. **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.

- n. **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.
- o. **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.
- p. **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.
- q. **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.

r. **Indemnification:**

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.

- s. **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.

- t. **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 and DOL Exceptions 2 CFR Part 2900.
- u. **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).
- 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 2013-01 – Procurement Standards and policy attachments; <https://www.montereycountywdb.org/policy-procedures/>).

#### **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. 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.

#### **7. 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.

## **8. 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 WOIA 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 WOIA 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 WOIA 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>.

## **9. 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.

## **10. 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.

## **11. 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.

## 12. 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.

## 13. 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.

## 14. 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:  
Andy Stone, Director  
Santa Cruz County Workforce Development Board  
18 W. Beach Street, Watsonville, California 95076

## 15. RECORDS MAINTENANCE & RETENTION

- a. If participants are served under this AGREEMENT, Contractor will use CalJOBS <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.

## **16. AUDITS**

- a. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted in accordance with 2 CFR Part 200.514.
- b. 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.
- c. 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.

## **17. 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.

## **18. 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.

## **19. PROPERTY**

- a. The Federal government reserves a royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes: (1) the copyright in any work developed under this AGREEMENT; and (2) any rights of copyright to which CONTRACTOR purchases ownership with WIOA grant funds received under this AGREEMENT. Further, the federal, State, and City governments shall have access to any report, preliminary findings or data assembled by CONTRACTOR under this AGREEMENT and the federal government shall retain ownership and patent rights to any discovery or invention under this AGREEMENT, as provided in 29 C.F.R. Section 95.48, Appendix A-5, 29 C.F.R. Section 97.34, and 29 C.F.R. Section 97.36(i)(8)-(9).

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.

## 20. 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. 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.
- l. 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**

**Monterey County Workforce Development Board**

**HRCC: SB1 SERVICE CASH INVOICE**

<b>I. Date of Request:</b>
<b>II. Invoice #</b>
<b>III. Invoice Period: From:</b> <b>To:</b>
<b>IV. MOU # or Agreement #</b>
<b>V. Awardee Name</b>
<b>Full Address</b>
<b>Invoice Contact:</b>

<b>Phone number:</b>
<b>Email Address:</b>

<b>VI.</b>	<b>Current Expenditures</b>	<b>YTD Expenditures</b>	<b>Leveraged Expenditures</b>	<b>Is Leveraged Funding Cash/ In-Kind</b>	<b>Leveraged YTD Expenditures</b>
<b>1. Staff:</b>					
<b>a) Salaries</b>					
<b>b) Fringe Benefits % of Salaries</b>					
<b>2. Staff Travel:</b>					
<b>3. Operating Expenses:</b>					
<b>a) Facility Rent: See Budget Narrative</b>					
<b>b) Office Supplies -- Case Manager &amp; Fiscal Staff</b>					
<b>c) Communications: see Budget Narrative</b>					
<b>4. Equipment Purchases: see Budget Narrative</b>					
<b>5. Instruction Mats/Supplies: see Budget Narrative</b>					
<b>6. Training Costs: see Budget Narrative</b>					
<b>7. Supportive Services -- WIOA Participants</b>					
<b>8. Indirect Costs: see Budget Narrative</b>					
<b>9. Other Program Services: see Budget Narrative</b>					
<b>10. GRAND TOTAL</b>	\$0.00	\$0.00	\$0.00		\$0.00

**Leveraged Funding Notes:** \_\_\_\_\_

**Invoice Certification:** I certify that to the best of my knowledge and belief that this report is true in all respects and that all disbursements have been made for the purposes of this program.

<b>Name:</b>
<b>Signature:</b>

<b>Title:</b>
<b>Date:</b>

<b>Monterey County Workforce Development Board - Fiscal Dept. Approval for Payment</b>	
<b>Name:</b>	<b>Signature:</b>
<b>Date:</b>	