

EXHIBIT E-1

CONTRACT BETWEEN
HENKELS & MCCOY, INC.
WORKFORCE INVESTMENT ACT SERVICES
AND
COUNTY OF SAN LUIS OBISPO DEPARTMENT OF SOCIAL SERVICES

Certification and Assurances

Except as otherwise indicated, Contractor as a WIA grant sub-recipient shall adhere to all the following certifications and assurances.

- a. Corporate Registration: The Contractor, if it is a corporation, certifies it is registered with the Secretary of State of the State of California.
- b. The 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 ADA. (42 U.S.C. 12101 et seq.)
- c. Sectarian Activities: The Contractor certifies that this sub-grant 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.
- d. National Labor Relations Board: The Contractor (if not a public entity), by signing this sub-grant agreement, does swear under penalty of perjury, that no more than one final unappeasable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a federal court, which orders the Contractor to comply with an order of the National Labor Relations Board (PCC10296).
- e. Prior Findings: Contractor, by signing this subgrant agreement, does swear under penalty of perjury, that it has not failed to satisfy any major condition in a current or previous sub-grant 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.
- f. Drug-Free Workplace Certification: By signing this sub-grant agreement, the Contractor hereby certifies under penalty of perjury under the laws of the State of California that the 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 as required 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) the penalties that may be imposed upon employees for drug abuse violations.
 3. Every employee who works on this sub-grant agreement will:
 - a) receive a copy of the company's drug-free policy statement; and
 - b) agree to abide by the terms of the company's statement as a condition of employment on the sub-grant/contract.
- g. Child Support Compliance Act: In accordance with the Child Support Compliance Act, the Contractor recognizes and acknowledges:
- The importance of child and family support obligations and shall fully comply with applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure or 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 is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Employee Registry maintained by the California Employment Development Department (EDD).
- h. Debarment and Suspension Certification: By signing this sub-grant agreement, the Contractor hereby certifies under penalty of perjury under the laws of the State of California that the Sub-grantee will comply with regulations implementing Executive Order 12459, Debarment and Suspension, 29 CFR Part 98.510, that the prospective participant (i.e., grantee), 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 transitions by any federal department or agency.

2. Have not, within a three-year period preceding this subgrant agreement, been convicted of or had a civil judgment rendered against them 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 under a public transaction, 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 certification.
4. Have not, within a three-year period preceding this sub-grant agreement, had one or more public transactions (federal, state or local) terminated for cause of default.

Where the Contractor is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this agreement.

- i. Lobbying Restrictions: By signing this sub-grant agreement, the Contractor hereby assures and certifies to the lobbying restriction which are codified in the DOL regulations at 29 CFR Part 93.
 1. No federal appropriated funds have been paid, by or on behalf of the undersigned, 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 sub-grant agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.
 3. The undersigned shall require that the language of the lobbying restrictions be included in the award documents for sub-grant agreement transactions over \$100,000 (per OMB) at all tiers (including sub-grant agreements, contracts and subcontracts, under grants, loan, or cooperative agreements), and that all sub-recipients 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 Section 1352, Title 31, and U.S. Code. Any person who fails to file the required certifications

shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

- j. Priority Hiring Considerations: If this sub-grant includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the sub-grant to qualified recipients of aid under Welfare and Institutions Section Code 11200 in accordance with Public Contract Code 10353.
- k. Sweatfree Code of Conduct:
 - 1. All Contractors contracting 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. The Contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.
 - 2. The Contractor agrees to cooperate fully in providing reasonable access to the Contractors' records, documents, agents or employees, or premises if reasonably required by authorized officials of the Sub-grantor, the Department of Industrial Relations, or the Department of Justice to determine the Contractors' compliance with the requirements under paragraph a of the Sweatfree Code of Conduct.
- l. Unenforceable Provision: In the event that any provision of this subgrant agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this subgrant agreement have force and effect and shall not be affected hereby.
- m. Nondiscrimination Clause: The conduct of the parties to this sub-grant agreement will be in accordance with Title VI of the Civil Rights Act of 1964, and the Rules and Regulations promulgated there under and the provisions of WIA, Section 188.
 - 1. As a condition to the award of financial assistance from the Department of Labor under Title I or WIA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

Section 188 of the Workforce Investment Act of 1998 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title I – financially assisted program or activity;

Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, and national origin;

Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;

The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and

Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

The grant applicant also assures that it will comply with 29 CFR Part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIA Title I – financially assisted program or activity, and to all agreements that grant applicant makes to carry out the WIA Title I – financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.

2. This Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the sub-grant agreement.
3. This Contractor agrees to conform to nondiscrimination provisions of the WIA and other federal nondiscrimination requirements referenced in 29 CFR, Part 37.

n. Indemnification:

1. The following provision applies only if the Contractor is a governmental entity:

Pursuant to the provision of 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 save harmless the Sub-grantor, 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, firma or corporations, furnishing or supplying work, services, materials, or supplies in connection with the performance of this agreement, and from any 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 sub-grant agreement.

Failure to comply with all requirements of the certifications in Section 2 may result in suspensions of payment under this sub-grant agreement or termination of

this sub-grant agreement or both, and the Contractor may be ineligible for award of future state sub-grant agreements/contracts if the department determines that any of the following has occurred: (1) false information on the certifications, or (2) violation of the terms of the certifications by failing to carry out the requirements as noted above.

- o. 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, shall be used by a recipient or sub-recipient 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 vendors providing goods and services as defined in OMB Circular A-133. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from sub-recipients of such funds, taking into account factors including the relative cost-of-living in the States, the compensation levels for programs involved including Employment and Training Administration programs. See Training and Employment Guidance Letter number 5-06 for further clarification.

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

- p. Clean Air and Water Act: For sub-grants in excess of \$100,000, compliance with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857 {h}); Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and the U.S. Environmental Protection Agency regulations (40 CFR 15, revised as of July 1, 1989).