

CONTRACT BETWEEN  
GOODWILL CENTRAL COAST  
WORKFORCE INNOVATION AND OPPORTUNITY ACT  
RAPID RESPONSE SERVICES  
AND  
COUNTY OF SAN LUIS OBISPO DEPARTMENT OF SOCIAL SERVICES

This contract, entered into by and between the County of San Luis Obispo, a public entity in the State of California, (hereafter “County”) and Goodwill Central Coast, a California 501(3)(c) non-profit corporation (hereafter “Contractor”).

WITNESSETH:

WHEREAS, the County is the Workforce Innovation and Opportunity Act (WIOA) grant recipient for WIOA Rapid Response and Rapid Response Layoff Aversion funds in the San Luis Obispo County Local Workforce Development Area (LWDA) of San Luis Obispo County, CA pursuant to P.L. 113-128, section 111 (b)(1).

WHEREAS, the WIOA requires that local areas establish a delivery system for the provision of Rapid Response and Layoff Aversion services as designated by WIOA;

WHEREAS, through a competitive procurement process the Workforce Development Board (WDB) has designated a Rapid Response and Layoff Aversion service provider, pursuant to P.L. 113-128, section 107(d)(10)(A)(i) and section 121(a)(1)-(3);

WHEREAS, the County has a need for services in coordinating the implementation of Rapid Response and Layoff Aversion services, including business outreach services, as more particularly described in Exhibit A, attached hereto and incorporated herein by reference; and

WHEREAS, Contractor is specifically trained, experienced, and competent to perform such services;

WHEREAS, this Contract was let in accordance with the Workforce Innovation and Opportunity Act and P.L. 113-128, section 121(c)(2) and implementing regulations as may be amended from time to time;

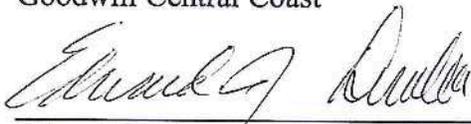
NOW, THEREFORE, in consideration of the covenants, conditions, agreements, and stipulations set forth herein, the parties agree as follows:

1. Scope of Services. Contractor agrees to provide Scope of Services set out in Exhibit A, attached hereto and incorporated herein by reference.
2. Compensation and Billing. County shall compensate Contractor for performing said services in accordance with Exhibit B, attached hereto and incorporated herein by reference.
3. Effective Date and Duration. The effective date and duration of this contract shall be specified on Exhibit C, attached hereto and incorporated herein by reference.

- 4. General Conditions. Contractor and County shall comply with all applicable provisions of the General Conditions in Exhibit D, attached hereto and incorporated herein by reference.
- 5. Special Conditions. Contractor and County shall comply with all applicable provisions of the Special Conditions in Exhibit E and Exhibit E-1, attached hereto and incorporated herein by reference. In the event of conflicts between the provisions of the General Conditions and the Special Conditions, the provisions of the Special Conditions shall be controlling.

IN WITNESS WHEREOF County and Contractor have executed this Contract on the day and year herein set forth below.

CONTRACTOR  
Goodwill Central Coast



Edward Durkee, President and CEO

11/8/2016

Date

COUNTY OF SAN LUIS OBISPO  
A public entity in the State of California

By: \_\_\_\_\_  
Chair, Board of Supervisors

Dated: \_\_\_\_\_

ATTEST

By: \_\_\_\_\_  
County Clerk and Ex-Officio Clerk  
of the Board of Supervisors

Dated: \_\_\_\_\_

APPROVED AS TO FORM AND LEGAL EFFECT:

COUNTY COUNSEL  
RITA L. NEAL



Deputy County Counsel

Dated: 11/10/16

EXHIBIT A

CONTRACT BETWEEN  
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SCOPE OF SERVICES

A. **WIOA Rapid Response and Rapid Response Layoff Aversion/Business Outreach**

1. **Scope of Services**

Contractor is responsible for staffing all services necessary to carry out the duties required to operate and manage WIOA Rapid Response and Rapid Response Layoff Aversion services; performance management and analysis; process improvement; and implementation of innovative strategies for WIOA Rapid Response and Layoff Aversion/Business Outreach services.

Contractor shall provide to the County the following services:

- a. Business Outreach and Layoff Aversion strategies to identify companies at risk of potential layoff or closure. Services will include the following:
  - i. Direct marketing campaigns
  - ii. Program promotion through radio, social media, newspaper, email campaign and face-to-face marketing to Chambers of Commerce, economic development agencies, local unions, industry groups, Small Business Development Center (SBDC), Small Business Administration (SBA), SCORE “Counselors to America’s Small Business”, and other stakeholders.
  - iii. Networking and meetings with business community to present information about Rapid Response and Layoff Aversion services. Presentations at entities including: Human Resources Association of the Central Coast (HRCC), Rotary, Chambers of Commerce, industry group events, SBDC and SBA workshops, and employer advisory committees.
  - iv. Contractor will utilize LMI and online resources to identify at-risk businesses and conduct outreach. Once businesses are identified, Contractor will provide the following resources:
    - 1 Conduct a business assessment, survey, or early warning checklists to identify economic and workforce challenges and/or opportunities the business may be facing.

- 2 Develop a Business Engagement Plan that outlines the resources and options the employer can pursue to address assessment findings. This includes providing the Business Resource Guide and linking the employer to local, state and federal resources.
  - 3 Connect the employer to a network of local and regional economic development, workforce, and education and training partnerships that address needs found in the business assessment.
  - 4 Identify opportunities for employers to access AJCC services and relay employer information to connect employer with AJCC Dislocated Worker Staff.
  - 5 Help affected workers obtain immediate employment through AJCC services in cases where layoffs cannot be averted. Focus will be on identifying career ladders in related growth industries, assessing skill gaps, and providing education and training supports that allow people to obtain living wage employment.
  - 6 Convene businesses within industry sectors to share best practices and assess workforce needs in partnership with Workforce Development Board, local training providers, and community agencies.
- v. Contractor will work with the Workforce Development Board to engage and align a network of economic development, workforce, and education and training partners that will offer an array of layoff prevention strategies.
- vi. Conduct asset mapping which identified key resources at the federal, state, and local level that can support businesses at each phase in the business cycle, with an emphasis on job loss aversion
- vii. By February 01, 2017, Contractor will submit to the County the results of the completed asset mapping.
- viii. By March 31, 2017, Contractor will compile a *Business Resource Guide* leveraging existing resources in partnership with local economic and workforce development agencies that includes at least the following information:
- 1 Asset Map of local, state and federal resources for businesses
  - 2 Contact information for regional Planning Departments, Department of Industrial Relations, Chambers of Commerce, Economic Development Agencies, SBDC and SBA offices, Rural Business Cooperative, Commerce Department and MEP
  - 3 UI compensation
  - 4 Trade Adjustment Act information and contacts
  - 5 Business loan and capital resources
  - 6 Workforce training funds (incumbent worker training and on-the-job training)
  - 7 Employment Training Panel funds
  - 8 Workshops available for businesses from AJCC partners
  - 9 Business Consultants list – HR, marketing, production, technical assistance

Business Outreach/Layoff Aversion Reporting

Contractor shall provide a monthly written report on the following:

- i. Number of unique businesses contacted and entered into CalJOBS (minimum of twenty (20) businesses contacted per month).
- ii. Name, date and result of business contacts.
- iii. Assessment of market penetration – number of businesses with activities entered in CalJOBS as compared to number of businesses in San Luis Obispo County.
- iv. Number, date and type (radio, social media, face-to-face, etc.) of outreach/program promotion events conducted.
- v. Number, date, location and type (independent, public forum/events) of business meetings/presentations conducted.
- vi. Summary of all layoff aversion activities conducted (regardless if layoff was successfully averted or not)

When layoff aversion solution and/or rapid re-employment services are provided, Contractor will submit to the County the required documentation necessary to complete the EDD Layoff Aversion 122 Report. Documentation will include supporting documents identifying efforts aimed at job retention (defined below) with the current employer and/or rapid re-employment (defined below) of the affected worker.

A “job retained” is defined in WSD-16-04 as: *when (1) a worker’s job is retained with the current employer that is at risk of downsizing or closing, or (2) when a worker at risk of dislocation transitions to a different job with the same employer.*

A “rapid re-employment” is defined in WSD 16-04 as: *A laid off worker is hired by a different employer and experiences short term unemployment (45 calendar days or less). To qualify for this activity, a confirmed job offer must be on file from the hiring employer and issued within 45 days of the date the participant becomes unemployed.*

- b. Rapid Response services to respond immediately to business closures and/or layoffs. Services will include the following:
  - i. Identifying and responding to all business closures and/or employers laying off workers.
  - ii. Contacting employers laying off workers within 24 hours of notification of layoff. Contact shall be attempted with 100% of employers for whom layoff notification is received.
  - iii. Conduct multiple approaches to employer outreach if initial attempts are not successful. A minimum of five (5) outreach attempts per employer shall be documented in CalJOBS.
  - iv. Assess needs of employers and affected workers including:
    - 1 Layoff plans and schedule of the employer

- 2 Potential for averting layoff in consultation with State or local agencies
  - 3 Background and probable assistance needs of the laid off workers
  - 4 Re-employment prospects for workers in the local community
  - 5 Available resources to meet the short and long-term assistance needs of the laid off workers
- v. Scheduling and conducting Rapid Response Orientations with employees being affected by business closures and/or layoffs. Orientations shall be held in response to at least 80% of businesses who have identified layoffs .
  - vi. Ensure all required representatives (including staff from the AJCC; EDD and other assistance programs as applicable) are contacted and are in attendance at scheduled Rapid Response orientations, or, in absence of required representatives, contractor staff will ensure information is disseminated for each partner program.
  - vii. Collect sign-in sheet with names and contact information for all attendees present at Rapid Response Orientations and submit to County within 5 business days of Orientation.
  - viii. Complete and submit to County, reporting documents (to be provided) in response to 100% of layoff notifications received. (form to be provided by County)
  - ix. Submit required reporting documentation to County within 5 business days of Rapid Response Orientations. 100% of completed forms shall be submitted to County.
  - x. Create and distribute Rapid Response Information Packets to affected workers with printed material (in accordance with WIOA Rapid Response system elements outlined in CFR 682.300(b) (1-4)) and ensure sufficient supply for potential layoff events.
  - xi. Implement strategies to provide services to as many laid off workers as possible, including strategies for ensuring a minimum of 50% of laid off workers attend Rapid Response orientations.
  - xii. Provide additional opportunities for laid off workers to access Rapid Response information, in addition to orientations.
  - xiii. Distribute, collect and encourage orientation attendees and employers to complete surveys at each Rapid Response orientation. Completed surveys shall be obtained from a minimum of 75% of attendees/employers)
  - xiv. Submit 100% of orientation attendee and employer surveys completed to County within 5 business days.

- xv. Coordinate Rapid Response and AJCC services to ensure maximum participation and engagement of affected workers in WIOA Dislocated Worker services
- xvi. Attend Regional Business Engagement Roundtables

### **Rapid Response Reporting Requirements**

Contractor will submit to the County, the required documentation necessary to complete the EDD Rapid Response 121 Report. When Rapid Response services are provided, the following data is required to be submitted in response to each layoff (reporting document(s) to be provided by County). Required data includes information deemed necessary by the County for reporting purposes and in accordance with Employment Development Department Workforce Service Directive [WSD16-04](#).

### **Data Tracking**

Contractor is required to utilize the CalJOBS data management system to enter required Rapid Response and business services data. This includes electronic data entry for each employer such as the number of laid off workers, total number of workers at the company, reason for layoff, presentation schedule, presenter organization and names, additional comments and other data determined to be necessary by the County. This also includes tracking and entry of activity codes for each business service delivered. Upon request, the County will provide technical assistance with the CalJOBS system. It is the Contractor's responsibility however to ensure proficiency of Contractor staff in using the CalJOBS system. Timely data entry is required and must be entered within five (5) business days after the date of any Rapid Response or Layoff Aversion/Business Outreach service.

EXHIBIT B

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Compensation and Billing

1. Compensation: County shall pay to Contractor as compensation in full for all services performed by Contractor pursuant to this contract, the following sums in the following manner:
  - a. The total payable under the terms of this contract shall not exceed one hundred twenty-five thousand dollars (\$125,000) of the program year funds pursuant to the project budget and budget narrative in Exhibit B-1, which is incorporated herein by reference. Funds are allocated to programs as follows:
    - 1) For WIOA Rapid Response services, not to exceed three hundred thousand dollars (\$100,000).
    - 2) For WIOA Rapid Response Layoff Aversion services, not to exceed twenty-five thousand dollars (\$25,000).
  - b. Contractor shall be reimbursed for all necessary and reasonable costs incurred on behalf of the County within the limits obligated by the contract and established by the budget and budget narrative, Exhibit B-1. Any costs incurred by the Contractor over and above the sums obligated by the contract, or set out in the budget shall be at the sole risk and expense of the Contractor.
  - c. Contractor shall submit to the County, by the 20<sup>th</sup> of each month an itemized statement/invoice of services performed during that preceding period. The invoice shall include a monthly total and itemization of all costs in the format established by Exhibit B-1. In addition, the invoice shall also include all costs in a second format that will facilitate the processing and reporting of WIOA Rapid Response financial data as required by Federal and State expenditure reporting requirements.

Contractor shall submit to County all billing in a format to be provided by County. The format required for WIOA Rapid Response billing may include, but not be limited to, identification of any of the following WIOA expenditures:

    - 1) Grant Type – Rapid Response or Rapid Response Layoff Aversion.

- 2) All Program Expenditures including Cash Expenditures and Accrued Expenditures.

**Please use the last date of the service period as the invoice date.** All fiscal reports and billing shall be submitted to Accounts Payable Unit, Department of Social Services, P.O. Box 8119, San Luis Obispo, CA 93403-8119.

- d. The compensation shall be paid within fifteen (15) days after the receipt of an itemized statement from Contractor.

2. Amendment to Compensation:

- a. The Parties acknowledge that the Compensation as agreed upon herein is based on funding allocations established by the State, which may be adjusted during the program year.
- b. The Board of Supervisors expressly grants to the Director of Social Services (Director) the authority to amend this contract to approve additional Compensation and corresponding expansion in the Scope of Services, should additional funding become available through additional allocations and/or carry-over funds. The Director may exercise his/her discretion in awarding additional funds, provided funds are used in accordance with WIOA Rapid Response statutes and regulations.

3. Budget Adjustments:

- a. The Director of Social Services (Director) must, in advance and in writing approve and execute budget adjustments to reallocate funds among budget categories contained in Exhibit B-1. Contractor must make requests for budget adjustments in writing with a showing of good cause that advances the overall purpose of the contract.
- b. The Board of Supervisors expressly grants to the Director the authority to approve requested budget adjustments and execute written amendments for those adjustments provided the change does not increase the cost to or impose any other burden on the County under this contract.
- c. Contractor must submit for pre-approval to Director or designee all proposed budget adjustments to reallocate funds among line items in excess of twenty-five percent (25%) of the total line item amount within the budget categories contained in Exhibit B-1.

EXHIBIT C

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Effective Date and Duration

1. Effective Date: The effective date of this contract is December 01, 2016. The County of San Luis Obispo shall be the last to sign this contract and any amendments thereto. All obligations imposed on both parties shall be binding on both parties commencing on the effective date and shall remain in effect until satisfied by performance. The obligations of both parties under this Contract begin December 01, 2016.
2. Term: Unless terminated earlier, pursuant to the provisions of this contract, the term of this contract shall be from its effective date until June 30, 2017.

## EXHIBIT B-1

CONTRACT BETWEEN  
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**AGENCY/CONTACT PERSON:** Goodwill Central Coast, Allison Schiavo  
**PROJECT:** WIOA Rapid Response Service Provider  
**PROJECT BUDGET:** \$125,000  
Rapid Response: \$100,000  
Layoff Aversion: \$25,000

## 1A. WIOA Rapid Response Service Provider Line-item Budget

BUDGET	Rapid Response	RR Layoff Aversion	Total
<b>Personnel Costs:</b>			
Salaries	\$56,496	\$14,124	70,620
Fringe Benefits	\$20,007	\$5,002	\$25,009
<b>SUB-TOTAL Personnel Costs:</b>	<b>\$76,504</b>	<b>\$19,126</b>	<b>\$95,630</b>
<b>Operating Costs:</b>			
Space/Rent			
Utilities	\$254	\$63.60	\$318
Telephone/Internet	\$326	\$81.40	\$407
Janitorial/Maintenance	\$241	\$60.20	\$301
Insurance	\$44	\$11.00	\$55
Staff Training	\$4,000	\$1,000	\$5,000
Travel/Mileage	\$6,552	\$1,638.00	\$8,190
Printing	\$3,400	\$850.00	\$4,250
Outreach	\$3,304	\$826.00	\$4,130
Postage	\$240	\$60.00	\$300
Publications	\$100	\$25.00	\$125
Office/Instructional Supplies	\$3,115	\$778.80	\$3,894
Equipment Maintenance/Support	\$0	\$0.00	\$0
Equipment Purchases (*under \$5,000)	\$1,920	\$480.00	\$2,400
Equipment Rental	0	0	0
Other Operating Expenses	\$0	\$0.00	\$0
<b>SUB-TOTAL Operating Costs:</b>	<b>\$23,496</b>	<b>\$5,874</b>	<b>\$29,370</b>
<b>GRAND TOTAL (GT)</b>	<b>\$100,000</b>	<b>\$25,000</b>	<b>\$125,000</b>

## 1B. WIOA Rapid Response Service Provider Narrative Budget

PERSONNEL COSTS:

All salaries and benefits are calculated as a seven-month period. The total cost for wages for 2016-2017 fiscal year are **\$70,620** with an additional **\$25,009** for the cost of benefits. A burden of 33.31% was used for the estimated taxes and benefits costs calculated for Health/Dental/Life/Vision/Pension/paid time off. Total program staff compensation for this contract period is **\$95,630.00**. All salary amounts are anticipated and included in the total amount for each FTE.

**Workforce Services Director:** 0.05 FTE WIOA Rapid Response @ \$61,023.00 annual salary for \$1,812.78 plus benefits at \$554.18 for a total WIOA Rapid Response –funded salary and benefits of \$2,366.95.

**Business Services Representative:** 2.0 FTE WIOA Rapid Response @ \$45,760.00 annual salary for \$54,560.00 plus benefits at \$20,714.94 for a total WIOA Rapid Response-funded salary and benefits of \$75,274.94.

**Job Developer:** 0.5 FTE WIOA Rapid Response @ \$39,998.00 annual salary for \$11,922.60 plus benefits at \$3434.60 for a total WIOA Rapid Response-funded salary and benefits of \$15,357.20.

**Administrative Assistant:** 0.15 FTE WIOA Rapid Response @ \$26,000.00 annual salary for \$2,325.00 plus benefits at \$306.04 for a total WIOA Rapid Response-funded salary and benefits of \$2,631.04

OPERATING COSTS:

**Utilities, Telephone/Internet, Janitorial/Maintenance, Insurance:** Utilities (\$318), telephone/internet (\$407), janitorial/maintenance (\$301), and insurance (\$55) are in determined by the existing cost sharing agreement in the AJCC and calculated by the percentage of square footage. This is based on one shared office space.

**Staff Training:** Staff training costs include **\$5,000.00** for Rapid Response staff to engage in work-related learning opportunities.

**Travel/Mileage:** A program wide mileage cost of \$6,390.00 is estimated to cover all in-county travel costs for Goodwill Rapid Response staff to meet with employers, participants, and attend community events. Mileage at a rate equal to the federal reimbursement rate (\$0.54) will be used. A program wide travel cost of \$1,800.00 is estimated to cover staff travel to out-of-area training. **\$8,190.00** has been included in this budget for travel/mileage.

**Printing:** An overall program cost of **\$4,250.00** is budgeted to cover orientation materials, business cards, and Business Improvement Guide to inform businesses and affected workers of services provided through Rapid Response. Some unidentified costs for this purpose may also be found in Office Supplies for necessary ancillary costs in their production.

**Outreach:** An overall program cost of **\$4,130.00** is budgeted to cover costs associated with mobile services to businesses, reaching affecting workers, and for the cost of Chamber memberships in Paso Robles, Templeton, Atascadero, Los Osos, Nipomo, and a Good Morning SLO Presentation.

**Postage:** An overall program cost of **\$300.00** is budgeted to cover mailings to businesses.

**Publications:** An overall program cost of **\$125.00** is budgeted to cover subscriptions to Pacific Coast Business Times and The Tribune to monitor business news and current events impacting labor market conditions.

**Office/Instructional Supplies:** An overall program cost of **\$3,894.00** is budgeted to cover supplies cost necessary for the operation of the project and will benefit businesses and workers receiving Rapid Response services. This cost includes folders, miscellaneous office supplies, paper, printer ink, and general supplies used in the delivery of Rapid Response services.

**Equipment Purchases:** An overall program cost of **\$2,400.00** is budgeted for the purchase of two laptops and/or one portable printer/scanner to be used by Rapid Response staff.

## EXHIBIT D

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General Conditions1. Independent Contractor.

Contractor is an independent contractor of the County. Nothing in this Contract shall be construed as creating an employer-employee relationship, partnership, or a joint venture relationship. Nothing in this Contract authorizes or permits the County to exercise direction or control over the professional manner in which Contractor provides services. Contractor's services shall be provided in a manner consistent with all applicable standards and regulations governing such services.

2. No eligibility for fringe benefits.

Contractor understands and agrees that Contractor and its personnel are not, and will not be, eligible for membership in or any benefits from any County group plan for hospital, surgical, or medical insurance, or for membership in any County retirement program, or for paid vacation, paid sick leave, or other leave, with or without pay, or for any other benefit which accrues to a County employee.

3. Warranty of Contractor for Provision of Services.

The Contractor warrants that Contractor has obtained and shall keep in full force and effect during the term of this Contract all permits, registrations and licenses necessary to accomplish the work specified in the Contract. Contractor warrants that it, and each of the personnel employed or otherwise retained by Contractor, will at all times, to the extent required by law, be properly certified and licensed under the Federal, State, and Local laws and regulations applicable to the provision of services herein.

4. Warranty of Contractor – Compliance with all Laws.

The Contractor warrants that Contractor shall keep informed of, observe, comply with, and cause all of its agents and personnel to observe and comply with all Federal, State, and local laws and rules and regulations, made pursuant to such laws, which in any way affect the conduct of work under this contract. If any conflict arises between provisions of the scope of work or specifications in this contract and any law, then the Contractor shall immediately notify the County in writing.

5. Power and Authority of Contractor.

If the Contractor is a corporation, contractor represents and warrants that it is and will remain, throughout the term of this contract, either a duly organized, validly existing California corporation in good standing under the laws of the State of California or a duly organized, validly existing foreign corporation in good standing in the state of incorporation and authorized to transact business in the State of California.

6. Non-Assignment of Contract.

Inasmuch as this contract is intended to secure the specialized services of the Contractor, Contractor shall not delegate, assign, or otherwise transfer in whole or in part its rights or obligations under this contract without the prior written consent of County. Any such assignment, transfer, or delegation without the County's prior written consent shall be null and void.

7. Entire Agreement and Modifications.

This contract supersedes all previous contracts between the parties hereto on the same subject matter and constitutes the entire understanding of the parties hereto on the subject matter of this contract. Contractor shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. Contractor specifically acknowledges that in entering into and executing this contract, Contractor relies solely upon the provisions contained in this contract and no others.

8. Governing Law.

This contract shall be governed by, and construed in accordance with, the laws of the State of California, without regard to its conflict-of-law provisions.

9. Equipment and Supplies.

Unless otherwise precluded by local, State or Federal statute or regulation, if the project budget for this project includes purchase of any equipment or supplies which have a useful life exceeding beyond the termination date of this project, the Contractor agrees that said equipment and supplies will be transferred over to the County at the conclusion of this project, unless the County consents to a renewal or extension of the same or some similar project by the Contractor utilizing the same equipment and/or supplies.

10. Waiver.

No delay or failure on the part of any party hereto in exercising any right, power or privilege under this contract shall impair any such right power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right power or privilege or the exercise of any other right, power or privilege. No waiver shall be valid unless made in

writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

11. Severability.

The Contractor agrees that if any provision of this contract is found to be invalid, illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the contract shall remain in full force and effect. Upon determination that any term or provision is invalid, illegal or unenforceable, the parties shall negotiate in good faith to modify this contract so as to affect the original intent of the parties as closely as possible.

12. Nondiscrimination.

Contractor agrees that it will abide by all Federal and State labor and employment laws and regulations pertaining to unlawful discrimination prohibiting discrimination against any employee or applicant for employment because of race, color, religion, sexual orientation, disability or national origin, and those conditions contained in Presidential Executive Order (E.O.) 11246, as amended by E.O. 11375 and supplemented by the requirements of 41 CFR Part 60.

13. Notices.

All notices given or made pursuant hereto shall be in writing and shall be deemed to have been duly given if delivered personally, mailed by registered or certified mail (postage paid, return receipt requested) or sent by a nationally recognized overnight courier (providing proof of delivery) to the parties at the following addresses or sent by electronic transmission to the following facsimile numbers (or at such other address or facsimile number for a party as shall be specified by like notice):

Leland Collins, Director  
Department of Social Services  
P.O. Box 8119  
San Luis Obispo, CA 93403

and to the Contractor at:

Edward Durkee, President and CEO  
Goodwill Central Coast  
880 Industrial Way  
San Luis Obispo CA 93401

Any such notice shall be deemed to have been received if: (a) in the case of personal delivery or facsimile transmission with confirmation retained, on the date of such delivery; (b) in the case of nationally recognized overnight courier, on the next business day after the date sent; (c) in the case of mailing, on the third business day following posting.

14. Headings.

The headings contained in this contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this contract.

15. Signatory Authority.

Contractor warrants that it has full power and authority to enter into and perform this contract, and the person signing this contract warrants that he/she has been properly authorized and empowered to enter into this contract.

16. Indemnification.

Contractor shall defend, indemnify and hold harmless the County, its officers and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, or other losses that may be asserted by any person or entity, including Contractor/Consultant, and that arise out of or are made in connection with the acts or omissions, relating to the performance of any duty, obligation, or work hereunder. The obligation to indemnify shall be effective and shall extend to all such claims or losses in their entirety. However, this indemnification will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers and employees.

17. Insurance.

Contractor, at its sole cost, shall purchase and maintain the insurance policies set forth below on all of its operations under this Agreement. All of the insurance companies providing insurance for Contractor/Consultant shall have, and provide evidence of, an A.M. Best & Co. rating of A VII or above, unless exception is granted by Risk Manager, and be authorized to do business in the State of California. Further, all policies shall be maintained for the full term of this Agreement and related warranty period if applicable.

a. Scope and Limits of Required Insurance Policies

1) Commercial General Liability. Policy shall include coverage at least as broad as set forth in Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001) with policy limits of not less than one million dollars (\$1,000,000.00) combined single limit per occurrence. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:

a) The County of San Luis Obispo, its officers and employees, is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.

b) The insurance provided herein shall be considered primary coverage to the County of San Luis Obispo with respect to any insurance or self-insured retention maintained by the County. Further, the

County's insurance shall be considered excess insurance only and shall not be called upon to contribute to this insurance.

- c) The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo.
- 2) Business Automobile Policy. Policy shall include coverage at least as broad as set forth in the liability section of Insurance Services Office Business Auto Coverage (Form CA 0001) with policy limits of no less than one million dollars (1,000,000.00) combined single limit for each occurrence. Said insurance shall include coverage for owned, non-owned, and hired vehicles. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:
- a) The County of San Luis Obispo, its officers and employees, is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.
  - b) The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo.
- 3) Workers' Compensation/Employer's Liability Insurance.
- a) Workers' compensation policy shall provide statutory limits as required by State of California. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:
    - (1) Contractor and its insurer shall waive all rights of subrogation against the County, its officers and employees for workers' compensation losses arising out of this contract.
    - (2) The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo.
  - b) Employer's liability policy shall provide one million dollars (\$1,000,000.00) per accident for bodily injury or disease.
- b. Deductibles and Self-Insurance Retentions. All deductibles and/or self-insured retentions which apply to the insurance policies required herein will be declared in writing and approved by the County prior to commencement of this contract.
- c. Documentation. Prior to commencement of work and annually thereafter for the term of this contract, Contractor will provide to the County of San Luis Obispo

properly executed certificates of insurance clearly evidencing the coverage, limits, and endorsements specified in this contract. Further, at the County's request, the Contractor shall provide copies of endorsements and certified copies of the insurance policies within thirty days of request.

- d. Absence of Insurance Coverage. County may direct Contractor to immediately cease all activities with respect to this contract if it determines that Contractor fails to carry, in full force and effect, all insurance policies with coverage levels at or above the limits specified in this contract. Any delays or expense caused due to stopping of work and change of insurance shall be considered Contractor's delay and expense.

18. Non-appropriation of Funds.

In the event that the term of this contract extends into fiscal years subsequent to that in which it was approved, continuation of the contract is contingent on the appropriation of funds by the San Luis Obispo County Board of Supervisors or, if applicable, provision of State or Federal funding source. If County notifies Contractor in writing that the funds for this contract have not been appropriated or provided, this contract will terminate. In such an event, the County shall have no further liability to pay any funds to the Contractor or to furnish any other consideration under this contract, and the Contractor shall not be obligated to perform any provisions of this contract or to provide services intended to be funded pursuant to this contract. If partial funds are appropriated or provided, the County shall have the option to either cancel this contract with no liability to the County or offer a contract amendment to the Contractor to reflect the reduced amount.

19. Force Majeure.

Neither the County nor the Contractor shall be deemed in default in the performance of the terms of this contract if either party is prevented from performing the terms of this contract by causes beyond its control, including without limitation: acts of God; rulings or decisions by municipal, Federal, States or other governmental bodies; any laws or regulations of such municipal, Federal, States or other governmental bodies; or any catastrophe resulting from flood fire, explosion, or other causes beyond the control of the defaulting party. Any party delayed by force majeure shall as soon as reasonably possible give the other party written notice of the delay. The party delayed shall use reasonable diligence to correct the cause of the delay, if correctable, and if the condition that caused the delay is corrected, the party delayed shall immediately give the other parties written notice thereof and shall resume performance under this contract.

20. Fiscal Controls.

Contractor shall adhere to the accounting requirements, financial reporting, and internal control standards as described in the *Auditor-Controller Contract Accounting and Administration Handbook* (Handbook), which contains the minimum required procedures and controls that must be employed by Contractor's accounting and financial reporting system, and which is incorporated herein by reference. In addition, Contractor shall adhere to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; Final Rule as described in the Office of Management and Budget (OMB) Title 2 Code of Federal Regulations (CFR) Chapter I and Chapter II, Part 200, et al and the Department of Labor (DOL) exceptions at 2 CFR Chapter II, Part 2900, et al. If there is any conflict between the requirements or standards of the Handbook and the requirements or standards of the OMB, Contractor shall comply with the more stringent of the two. Contractor shall require subcontractors to adhere to the Handbook/OMB for any services funded through this contract, unless otherwise agreed upon in writing by County.

- a. The Handbook is available at <http://www.slocounty.ca.gov/AC/> under Policies and Procedures or at the Auditor-Controller's Office, 1055 Monterey Street Room D220, County Government Center, San Luis Obispo CA, 93408.
- b. Uniform Administrative Requirements are available at <http://www.ecfr.gov/cgi-bin/text-idx?SID=f93cbbc8187a2724cacdb657d087baab&node=pt2.1.200&rqn=div5>
- c. Department of Labor Uniform Administrative Requirements exceptions are available at <http://www.doleta.gov/grants/UniformGuidance.cfm>

21. State Audit.

Pursuant to California Government Code section 8546.7, every County contract involving the expenditure of funds in excess of ten thousand dollars (\$10,000) is subject to examination and audit of the California State auditor for a period of three years after final payment under the contract. Contractor shall permit the California State Auditor to have access to any pertinent books, documents, papers and records for the purpose of said audit.

22. Nondisclosure.

All reports, information, documents, or any other materials prepared by Contractor under this contract are the property of the County unless otherwise provided herein. Contractor shall not disclose such reports, information, documents and other materials without County's prior written consent. Any requests for information shall be forwarded to County along with all copies of the information requested. County shall make sole decision whether and how to release information according to law.

23. Conflict of Interest.

Contractor acknowledges that Contractor is aware of and understands the provisions of sections 1090, et.seq., and 87100, et. seq., of the Government Code, which relate to conflict of interest of public officers and employees. Contractor certifies that Contractor is unaware of any financial or economic interest of any public officer or employee of the County relating to this contract. Contractor agrees to comply with applicable requirements of Government Code section 87100, et. seq., during the term of this contract.

24. Immigration Reform and Control Act.

Contractor acknowledges that Contractor, and all subcontractors hired by Contractor to perform services under this contract are aware of and understand the Immigration Reform and Control Act (“IRCA”) of 1986, Public Law 99-603. Contractor certifies that Contractor is and shall remain in compliance with ICRA and shall ensure that any subcontractors hired by Contractor to perform services under this contract are in compliance with IRCA.

25. Third Party Beneficiaries.

It is expressly understood that the enforcement of the terms and conditions and all rights of action related to enforcement, shall be strictly reserved to County and Contractor. Nothing contained in this contract shall give or allow and claim or right of action whatsoever by any other third person.

26. Tax Information Reporting.

Upon request, Contractor shall submit its tax identification number or social security number, whichever is applicable, in the form of a signed W-9 form, to facilitate appropriate fiscal management and reporting.

## EXHIBIT E

CONTRACT BETWEEN  
GOODWILL CENTRAL COAST  
WORKFORCE INNOVATION AND OPPORTUNITY ACT  
RAPID RESPONSE SERVICES  
AND  
COUNTY OF SAN LUIS OBISPO DEPARTMENT OF SOCIAL SERVICES

Special Conditions1. Past Services Included.

The County Board of Supervisors specifically acknowledges that in anticipation of execution of this contract, services within the scope of this contract may have been provided in reliance on assurances that this contract would be entered into. These services would have been rendered from December 01, 2016 to the date the Board of Supervisors executed this Contract and were intended in the best interest of the public welfare. The Board of Supervisors expressly authorizes payment for those services at the same rates and under the same terms and conditions as stated in this Contract.

2. Accounting for Travel and Lodging.

In the event that the scope of services expressly contemplates payment for travel and lodging, these costs must be reasonable and in no event shall exceed levels allowed for WIOA supported activities as allowed by subchapter 1 of chapter 57 of title 5 United States Code, and federal regulations applicable thereto, including 41 CFR 301, et seq.

3. Record keeping and reporting of services.

Contractor shall:

- a. Keep complete and accurate records for each client served pursuant to this contract, which shall include, but not be limited to, performance measures, evaluation studies, and records of services provided by various professional and paraprofessional personnel in sufficient detail to permit an evaluation of services without prior notice. Such records shall comply with all applicable Federal, State, and County record maintenance requirements.
- b. Contractor shall submit program/service reports monthly as outlined in Exhibit A to County by the 20<sup>th</sup> of the month succeeding the month with which the report is concerned. Contractor shall submit all necessary data as required and outlined in Exhibit A following provision of Rapid Response and Rapid Response Layoff Aversion services to meet state and federal Rapid Response reporting requirements. Reports shall be submitted to Dawn Boulanger, Department of Social Services, P.O. Box 8119, San Luis Obispo CA 93403-8119.

- c. Contractor shall not subcontract any portion of WIOA Rapid Response or Rapid Response Layoff Aversion services provided under this contract.

4. Power to Terminate.

The Director of Social Services may effectuate termination of this contract without the need for action, approval, or ratification by the Board of Supervisors.

5. Termination for Cause.

- a. If the County determines there has been a material breach of this contract by Contractor that poses a threat to health and safety, the County may immediately terminate the contract.
- b. For all other material breaches of this contract, County must give Contractor written notice setting forth the nature of the breach. If Contractor fails to remedy said breach within ten (10) days from the date of the written notice, County may terminate the contract. Contractor shall thereafter have no further rights, powers, or privileges against County under or arising out of this contract. Material breach shall include, but not be limited to:
  - 1) Contractor fails to perform its duties to the satisfaction of the County; or
  - 2) Contractor fails to fulfill in a timely and professional manner its obligations under this contract; or
  - 3) Contractor fails to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon the County; or
  - 4) Any requisite licenses or certifications held by Contractor are terminated, suspended, reduced, or restricted; or
  - 5) Contractor has not, to the satisfaction of the County, documented services provided by Contractor, which includes without limitation, failure to meet industry standards or failure to satisfy any special requirements needed by third party payers or Federal or State funding agencies; or
  - 6) Contractor has failed or refused to furnish information or cooperate with any inspection, review or audit of Contractor's program or County's use of Contractor's program. This includes interviews or reviews of records in any form of information storage.
- c. All obligations to provide services shall automatically terminate on the effective date of termination.
- d. In the event a breach does not result in termination, but does result in costs being incurred by County, said costs shall be charged to and paid by Contractor, which

costs may include, but are not limited to, reasonable costs incurred by County in investigating and communicating with Contractor regarding said breach, including staff time.

6. Termination for Convenience.

Either party may terminate this contract at any time by giving to the other party at least thirty (30) days written notice of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of said termination.

7. Warranty of Contractor Regarding Facilities.

Contractor shall obtain and maintain for the duration of this contract, appropriate licenses, permits and certificates required by all local State and Federal mandates applicable to the facilities used for performance of this contract.

8. Compliance Regarding Social Service Laws.

- a. Contractor agrees to abide by all applicable local, State and Federal laws, rules, regulations, guidelines, and directives for the provision of services hereunder, including without limitation, the applicable provisions of the California Civil Code, WIOA, the California Health and Safety Code, the California Code of Regulations, the Code of Federal Regulations, and the Health Insurance Portability and Accountability Act. This obligation includes, without limitation, meeting delivery of service requirements, guaranteeing all client's rights and provisions are satisfied, and maintaining the confidentiality of client records.
- b. Contractor acknowledges that breach of California Welfare and Institutions Code Section 10850 regarding confidentiality of records may be a criminal offense.

9. Compliance Regarding Nondiscrimination.

- a. State of California, Social Services Policy Compliance.
  - 1) Contractor specifically agrees to comply with California Department of Social Services Manual of Policy and Procedures section 21-100, available at [www.dss.cahwnet.gov/getinfo/pdf/3cfcman.pdf](http://www.dss.cahwnet.gov/getinfo/pdf/3cfcman.pdf).
  - 2) The purpose of said policy is to effectuate the provisions of the following laws: Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; Title II of the Americans With Disabilities Act of 1990; the Age Discrimination Act of 1975, as amended; the Food Stamp Act of 1977, as amended; and California Civil Code, section 51, et seq., as amended; California Government Code, section 11135, et seq., as amended; and California Government Code, section 4450; and other applicable Federal and State laws and their implementing

regulations to ensure that the administration of public assistance and social services programs are nondiscriminatory, and that no person shall, because of race, color, national origin, political affiliation, religion, marital status, sex, age or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal or State financial assistance.

Administrative methods/procedures, which have the effect of subjecting individuals to discrimination or defeating the objectives of the regulations, are prohibited.

- 3) Contractor agrees to compile data, maintain records and submit reports as required to permit effective enforcement of nondiscrimination laws, rules and regulations. The data elements specifically required by this section refer to primary language and ethnic groups of participants/applicants. California Department of Social Services (CDSS), federal government personnel, and the County reserve the right to review records, books and accounts as needed to ascertain compliance and reserve the right to pursue legal remedy and/or sanction for compliance failures.
- b. No Discrimination in Level of Services. As a condition for reimbursement, Contractor shall provide to and ensure that clients served under this contract receive appropriate services regardless of status or source of funding.
  - c. Bilingual Accessibility. Contractor shall ensure that effective bilingual/interpretive services are provided to serve the needs of the non-English speaking population and individuals with disabilities. The provision of bilingual/interpretive services shall be offered for each location whose non-English language cases equal or exceed five percent of the total cases for each program or location. The provision of bilingual/interpretive services shall be prompt without undue delay.
10. Assurances and Certifications.

Except as otherwise indicated, the following certifications apply to all sub-grantees.

- a. State of California Standards: Contractor recognizes and acknowledges that it is a sub-grantee to the County's Sub-grant Agreement with the State of California Employment Development Department. As required by the terms of said agreement, pages four (4) through thirteen (13), sections 1 through 21, attached as Exhibit E-1 are incorporated herein by reference. To the extent applicable to Contractor as County's sub-grantee, Contractor shall comply with the terms and conditions provided therein. Any breach of said terms shall be considered a material breach of this contract.
- b. Copyrights: The application of this clause is limited to those awards that involve the use or development of copyrighted materials. Contractor shall comply with copyright regulations cited in the Code of Federal Regulations (Title 29, Labor, part 97, Uniform Administrative Requirements for Grants and Cooperative Agreements

to State and Local Governments, Subpart C – Post-Award Requirements, section 97.34, Copyrights).

The Federal awarding agency, State of California and County reserve a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government, State, or County purposes:

- 1) The copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant, and
  - 2) Any rights of copyright to which a grantee, sub-grantee or a contractor purchases ownership with grant support.
- c. **Certifications:** Upon execution of this agreement, Contractor shall execute “Certification Regarding Debarment, Suspension and other Responsibility Matters” and “Drug-Free Workplace Certification” which shall be provided to Contractor by County. Upon contract close-out, Contractor shall execute “Contract Close-out Tax Certification” which shall be provided to the Contractor by the County.

11. Client Grievance Process.

Contractor shall establish a grievance process for clients served under this contract. All clients must be advised of the process with written material readily available upon request.

12. California Title 24, Energy Standards.

Contractor recognizes that the State of California Administrative Code, Title 24 contains mandatory standards and policies relating to energy efficiency in the state energy conservation plan, and recognizes it may have applicability to Contractor.

13. Compliance re: Environmental Laws.

For contracts in excess of \$100,000 Contractor shall comply with Section 306 of the Clean Air Act (42 U.S.C. section 1857(h)), Section 508 of the Clean Water Act, (33 U.S.C. 1368), Executive Order 11738 and Environmental Protection Agency regulations, (40 C.F.R. Part 15).

14. Disentanglement.

Contractor warrants that in the event of any expiration or termination of this Contract, Contractor will take all actions necessary to accomplish a complete and timely transition to the County, or to any replacement provider, of the Services being terminated (a “Disentanglement”) without any material impact on the Services. Contractor shall cooperate with County and otherwise take all steps reasonably required to assist County in effecting a complete and timely Disentanglement. Contractor shall provide County with all information regarding the Services or is otherwise needed for Disentanglement.

15. Code of Ethics and Conflicts.

Contractor acknowledges that Contractor is aware of and understands the provisions of 20 Code of Federal Regulations section 667.200(a)(4) and agrees to comply with applicable requirements during the term of this contract.

EXHIBIT E-1

CONTRACT BETWEEN  
GOODWILL CENTRAL COAST  
WORKFORCE INNOVATION AND OPPORTUNITY ACT  
RAPID RESPONSE SERVICES  
AND  
COUNTY OF SAN LUIS OBISPO DEPARTMENT OF SOCIAL SERVICES

Federal Assurances and Certifications

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

1. Compliance

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

- a). The provisions of the Workforce Innovation and Opportunity Act (WIOA), the Office of Management and Budget (OMB) Uniform Administrative Requirements, 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 (here after 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. (here after 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 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.

This agreement contains the entire agreement of the parties and supersedes all negotiations, verbal or otherwise and any other agreement between the parties hereto. This agreement is not intended to and will not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association between the "pass-through" entity and the Contractor.

Contractor represents and warrants it is free to enter into and fully perform this agreement.

## 2. Certification/Assurances

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

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 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 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 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.

f). Drug-Free Workplace Certification: By signing this 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:

- the dangers of drug abuse in the workplace;
- the person's or organization's policy of maintaining a drug-free workplace;
- any available counseling, rehabilitation and employee assistance programs; and,
- penalties that may be imposed upon employees for drug abuse violations.

(3). Every employee who works on this agreement will:

- receive a copy of the company's drug-free policy statement; and,

- agree to abide by the terms of the company's statement as a condition of employment on the contract
- g). Child Support Compliance Act: In accordance with the Child Support Compliance Act, the Contractor recognizes and acknowledges:
  - (1). 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 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 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 agreement, the Contractor hereby certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with regulations implementing Executive Order 12549, Debarment and Suspension, Uniform Guidance 2 CFR Part 200, Appendix I that the prospective participant (ie., grantee), to the best of its knowledge and belief, that it and its principals:
  - (1). Are not presently debarred, suspended, proposed for debarment, 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 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 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 agreement the Contractor hereby assures and certifies to the lobbying restrictions which are codified in the DOL regulations at Uniform Guidance 2 CFR Part 200 and DOL Exceptions 2 CFR 2900.
  - (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 an 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). The undersigned 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 subgrant 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 Section 1352, Title 31, and U.S. Code. 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.

j). Priority Hiring Considerations:

If this agreement includes services in excess of \$200,000, the 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.

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, 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. 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](http://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 "pass-through" entity, 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 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.

m). Nondiscrimination Clause:

(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 there under and the provisions of WIOA, Section 188.

(a). As a condition to the award of financial assistance from the Department of Labor under Title I of WIOA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

Section 188 of the WIOA, 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 WIOA 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 Uniform Guidance 2 CFR Part 200, DOL Exceptions 2 CFR Part 2900 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIOA Title I-financially assisted program or activity, and to all agreements that grant applicant makes to carry out the WIOA 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.

(b). This Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the agreement.

(c). This Contractor agrees to conform to nondiscrimination provisions of the WIOA and other federal nondiscrimination requirements as referenced in WIOA Sec188.

(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 "pass-through" entity, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materials persons, laborers and any other persons, firms or corporations, furnishing or supplying work, services, materials, or supplies in connection with the performance of this agreement, and from any and all claims and losses accruing or resulting to any persons, firms or corporations which may be injured or damaged by the Contractor in the performance of this agreement. Failure to comply with all requirements of the certifications in Section 2 may result in suspension of payment under this agreement or termination of this agreement or both, and the Contractor may be ineligible for award of future state 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 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 vendors 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 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). Federal Funding Accountability and Transparency Act (FFATA):

As required by the FFATA, recipients of federal awards are required to report sub-award and executive compensation information. By signing this agreement the 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.

q). AIR OR WATER POLLUTION VIOLATION:

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Under the State laws, the 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 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

The following standards apply to all Contractors:

- a). General Assurance: Every reasonable course of action will be taken by the Contractor in order to maintain the integrity of this expenditure of public funds and to avoid favoritism and questionable or improper conduct. This agreement will be administered in an impartial manner, free from efforts to gain personal, financial or political gain. The Contractor agrees to conform to the nondiscrimination requirements as referenced in WIOA, Section 188.
- b). Avoidance of Conflict of Economic Interest: An executive or employee of the Contractor, an elected official in the area or a member of the Local Board, will not solicit or accept money or any other consideration from a third person, for the performance of an act reimbursed in whole or part by the Contractor or "pass-through" entity: Supplies, materials, equipment or services purchased with agreement funds will be used solely for purposes allowed under this agreement. No member of the Local Board 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.

### 4. Coordination

Contractor will, to the maximum extent feasible, coordinate all programs and activities supported under this part with other programs under the WIOA, including the Wagner-Peyser Act, Title 38 of the United States Code, and other employment and training programs at the state and local level.

Contractor will consult with the appropriate labor organizations and/or employer representatives in the design, operation or modification of the programs under this agreement.

### 5. Subcontracting

- a). Any of the work or services specified in this agreement which will be performed by other than by the Contractor will be evidenced by a written agreement specifying the terms and conditions of such performance.
- b). The 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.

- c). The system for awarding contracts will contain safeguards to insure that the Contractor does not contract with any entity whose officers have been convicted of fraud or misappropriation of funds within the last two years.

## 6. Insurance

Except for city and county governmental entities, Contractors must provide the "pass-through" entity evidence of the coverage specified in a, b, c and d below. The evidence of coverage shall include the registration number of the agreement for identification purposes.

- a). Contractor will obtain a fidelity bond in an amount of not less than N/A prior to the receipt of funds under this agreement. If the bond is canceled or reduced, Contractor will immediately so notify the "pass-through" entity. In the event the bond is canceled or revised, the "pass-through" entity will make no further disbursements until it is assured that adequate coverage has been obtained.
- b). Contractor will provide general liability insurance with a combined limit of \$1,000,000 or public liability and property damage coverage with a combined limit of not less than \$1,000,000.
- c). Contractor will provide broad form automobile liability coverage with limits as set forth in (b) above, which applies to both owned/leased and non-owned automobiles used by the Contractor or its agents in performance of this agreement, or, in the event that the Contractor will not utilize owned/leased automobiles but intends to require employees, trainees or other agents to utilize their own automobiles in performance of this agreement, Contractor will secure and maintain on file from all such employees, trainees or agents a self-certification of automobile insurance coverage.
- d). Contractor will provide Worker's Compensation Insurance, which complies with provisions of the California Labor Code, covering all employees of the Contractor and all participants enrolled in work experience programs. Medical and Accident Insurance will be carried for those participants not qualifying as "employee" (Section 3350, et seq. of the California Labor Code) for Worker's Compensation.
- e). The "pass-through" entity will be named as "Certificate Holder" of policies secured in compliance with paragraphs a-d above and will be provided certificates of insurance or insurance company "binders" prior to any disbursement of funds under this agreement, verifying the insurance requirements have been complied with. The coverage noted in b and c above must contain the following clauses:
  - (1). Insurance coverage will not be canceled or changed unless 30 days prior to the effective date of cancellation or change written notice is sent by the Contractor to:

Leland, Collins  
Director/Administrator  
San Luis Obispo County, Department of Social Services  
3433 S. HIGUERA St.

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PO Box 8119  
SAN LUIS OBISPO, CA 93403-8119

- 2). State of California, its officers, agents, employees and servants are included as additional insured, but only insofar as the operations under this agreement are concerned.
- (3). The State of California is not responsible for payment of premiums or assessments on this policy.

#### 7. Resolution

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

#### 8. Funding

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, 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.

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 available to the state by the United States Government for the fiscal years covered by this agreement for the purposes of this program. 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.

- a). 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 "pass-through" Entity, and no longer available to the Contractor.
- b). The "pass-through" entity 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 the Contractor is given prompt notice and the opportunity for an informal review of the "pass-through" entity's decision. The Chief Deputy Director or his 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 the Contractor or a Subcontractor of the 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.
- c). The local Chief Elected Official (CEO) of a unit of general local government designated as a Local Workforce Development Area (LWDA) shall be liable to the EDD for all

funds not expended in accordance with WIOA, and shall return to the EDD all of those funds. If there is more than one unit of general local government in a LWDA, the CEO(s) will be the individual(s) designated under an agreement executed by the CEO(s) of the local units of government. The CEO(s) designated under the agreement shall be liable to the EDD for all funds not expended in accordance with the WIOA, and shall return to the EDD all of those funds.

#### 9. Accounting and Cash Management

- a). Contractor will comply with controls, record keeping and fund accounting procedure requirements of WIOA, federal and state regulations and directives to ensure the proper disbursement of, and accounting for, program funds paid to the Contractor and disbursed by the Contractor, under this agreement.
- b). Contractor will submit requests for cash to coincide with immediate cash needs and assure that no excess cash is on deposit in their accounts or the accounts of any subcontracting service provider in accordance with procedures established by the "pass-through" entity. Failure to adhere to these provisions may result in suspending cash draw down privileges and providing funds through a reimbursement process.
- c). The "pass-through" entity retains the authority to adjust specific amounts of cash requested if the "pass-through" entity's records and subsequent verification with the Contractor indicate that the Contractor has an excessive amount of cash in its account.
- d). Income (including interest income) generated as a result of the receipt of WIOA activities, will be utilized in accordance with policy and procedures established by the "pass-through" entity. Contractor will account for any such generated income separately.
- e). Contractor shall not be required to maintain a separate bank account but shall separately account for WIOA funds on deposit. All funding under this agreement, will be made by check or wire transfer payable to the Contractor for deposit in Contractor's bank account or city and county governmental bank accounts. To provide for the necessary and proper internal controls, funds should be withdrawn and disbursed by no less than two representatives of the Contractor. The "pass-through" entity will have a lien upon any balance of WIOA funds in these accounts, which will take priority over all other liens or claims.

#### 10. Amendments

This agreement may be unilaterally modified by the "pass-through" entity under the following circumstances:

- a). There is an increase or decrease in federal or state funding levels.
- b). A modification to the agreement is required in order to implement an adjustment to a Contractor's plan.
- c). Funds awarded to the Contractor have not been expended in accordance with the schedule included in the approved Contractor's plan. After consultation with the Contractor, the "pass-through" entity has determined that funds will not be spent in a timely manner, and such funds are for that reason to the extent permitted by and in a

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manner consistent with state and federal law, regulations and policies, reverting to the "pass-through" entity.

- d). There is a change in state and federal law or regulation requiring a change in the provisions of this agreement.
- e). An amendment is required to change the Contractors' name as listed on this agreement. Upon receipt of legal documentation of the name change the state will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment. Except as provided above, this agreement may be amended only in writing by the mutual agreement of both parties.

#### 11. Reporting

Contractor will compile and submit reports of activities, expenditures, status of cash and closeout information by the specified dates as prescribed by the "pass-through" entity. 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 released.

#### 12. Termination

This agreement may be terminated in whole or in part for either of the two following circumstances:

a). Termination for Convenience - Either the "pass-through" entity or the Contractor may request a termination, in whole or in part, for convenience. The Contractor will give a ninety (90) calendar-day advance notice in writing to the "pass-through" entity. The "pass-through" entity will give a ninety (90) calendar-day advance notice in writing to the Contractor.

b). Termination for Cause - The "pass-through" entity may terminate this agreement in whole or in part when it has determined that the Contractor has substantially violated a specific provision of the WIOA regulations, the Uniform Guidance or implementing state legislation and corrective action has not been taken.

(1). 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 Contractor will be addressed to:

Edward Durkee, President and CEO  
 Goodwill Central Coast  
 880 Industrial Way  
 San Luis Obispo CA 93401

Notices to the "Pass-through" Entity will be addressed to:

Leland, Collins  
 Director/Administrator  
 SAN LUIS OBISPO COUNTY

Department of Social Services  
3433 S. HIGUERA  
PO Box 8119  
SAN LUIS OBISPO, CA 93403-8119

### 13. Records

- a). If participants are served under this agreement, the Contractor will establish a participant data system as prescribed by the "pass-through" entity.
- b). Contractor will retain all records pertinent to this agreement for a period of three years from the date of final payment of this agreement. If, at the end of three years, there is litigation or an audit involving those records, the 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 "pass-through" entity and/or the 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 the 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. The 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 "pass-through" entity of the adequacy of the services performed, timeliness of response and a general impression of the competency of the firm and its staff.

### 14. Audits

- a). The Contractor will maintain and make available to auditors, at all levels, accounting and program records including supporting source documentation and cooperate with all auditors. All governmental and non-profit organizations 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.
- b). The Contractor and/or auditors performing monitoring or audits of the Contractor or its sub-contracting service providers will immediately report to the "pass-through" entity any incidents of fraud, abuse or other criminal activity in relation to this agreement, the WIOA, or its regulations.

### 15. Disallowed Costs

Except to the extent that the state determines it will assume liability, the Contractor will be liable for and will repay, to the "pass-through" entity, any amounts expended under this agreement found not to be in accordance with WIOA including, but not limited to, disallowed costs. Such repayment will be from funds (Non-Federal), other than those received under the WIOA.

### 16. Conflicts

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

17. Grievances and Complaint System

Contractor will establish and maintain a grievance and complaint procedure 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.

18. Property

All property, whether finished or unfinished documents, data, studies and reports prepared or purchased by the Contractor under this agreement, will be disposed of in accordance with the direction of the "pass-through" entity. In addition, any tools and/or equipment furnished to the Contractor by the "pass-through" entity and/or purchased by the Contractor with funds pursuant to this agreement will be limited to use within the activities outlined in this agreement and will remain the property of the United States Government and/or the "pass-through" entity. Upon termination of this agreement, Contractor will immediately return such tools and/or equipment to the "pass-through" entity or dispose of them in accordance with the direction of the "pass-through" entity.

19. Intellectual Property Provisions

a). Federal Funding

In any agreement funded in whole or in part by the federal government, "pass-through" entity may acquire and maintain the Intellectual Property rights, title, and ownership, which result directly or indirectly from the agreement, except as provided in 37 CFR Part 401.14. However, pursuant to Uniform Guidance 2 CFR Part 200 and DOL Exceptions 2 CFR Part 2900 the federal government shall have a royalty-free, non-exclusive, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

b). Ownership

(1) Except where "pass-through" entity has agreed in a signed writing to accept a license, "pass-through" entity shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all intellectual property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or "pass-through" entity and which result directly or indirectly from this agreement.

(2). For the purposes of this agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right

of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will, any data or information maintained, collected or stored in the ordinary course of business by "pass-through" entity, and all other legal rights protecting intangible proprietary information as may exist now and/or hereafter come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.

(a). For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos, computer software and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. "Works" does not include articles submitted to peer review or reference journals or independent research projects.

(3). In the performance of this agreement, Contractor may exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this agreement. In addition, under this agreement, Contractor may access and utilize certain of "pass-through" entity's intellectual property in existence prior to the effective date of this agreement. Except as otherwise set forth herein, Contractor shall not use any of "pass-through" entity's Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of "pass-through" entity. Except as otherwise set forth herein, neither the Contractor nor "pass-through" entity shall give any ownership interest in or rights to its Intellectual Property to the other Party. If, during the term of this agreement, Contractor accesses any third-party Intellectual Property that is licensed to "pass-through" entity, Contractor agrees to abide by all license and confidentiality restrictions applicable to "pass-through" entity in the third-party's license agreement.

(4) Contractor agrees to cooperate with "pass-through" entity in establishing or maintaining "pass-through" entity's exclusive rights in the Intellectual Property, and in assuring "pass-through" entity's sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this agreement, Contractor shall require the terms of the agreement(s) to include all Intellectual Property provisions of paragraph nineteen a) through nineteen i). Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to "pass-through" entity all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, contractor or "pass-through" entity and which result directly or indirectly from this agreement or any subcontract.

(5). Pursuant to paragraph nineteen (b) (4) of the Intellectual Property Provisions in Exhibit BB to this agreement, the requirement for the Contractor to include all Intellectual Property Provisions of paragraph nineteen a) through nineteen i) of the Intellectual Property Provisions in all agreements and subcontracts it enters into with other parties does not apply to agreements or subcontracts that are for customized and on-the-job training as authorized under 20 CFR 663.700-730.

(6). Contractor further agrees to assist and cooperate with "pass-through" entity in all reasonable respects, and executes all documents and, subject to reasonable availability, gives testimony and takes all further acts reasonably necessary to acquire, transfer, maintain, and enforce "pass-through" entity's Intellectual Property rights and interests.

c). Retained Rights / License Rights

(1). Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or "pass-through" entity and which result directly or indirectly from this agreement, Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this agreement.

Contractor hereby grants to "pass-through" entity, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose of Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this agreement, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.

(2). Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this agreement, provided that Contractor's user does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of "pass-through" entity or third party, or result in a breach or default of any provisions of paragraph nineteen a) through nineteen i) or result in a breach of any provisions of law relating to confidentiality.

d). Copyright

(1) Contractor agrees that for purposes of copyright law, all works (as defined in Ownership, paragraph nineteen (b) (2) (a) of authorship made by or on behalf of Contractor in connection with Contractor's performance of this agreement shall be deemed "works made for hire." Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to "pass-through" entity to any work product made, conceived, derived from or reduced to

practice by Contractor or "pass-through" entity and which result directly or indirectly from this agreement.

Refer to Uniform Guidance 2 CFR Part 200 and DOL Exceptions 2 CFR Part 2900.

(2) All materials, including, but not limited to, computer software, visual works or text, reproduced or distributed pursuant to this agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or "pass-through" entity and which result directly or indirectly from this agreement may not be reproduced or disseminated without prior written permission from "pass-through" entity.

e). Patent Rights

With respect to inventions (refer to Uniform Guidance 2 CFR Part 200 and DOL Exceptions 2 CFR Part 2900, made by Contractor in the performance of this agreement, which did not result from research and development specifically included in the 's scope of work, Contractor hereby grants to "pass-through" entity a license as described under paragraph nineteen c) for devices or material incorporating, or made through the use of such inventions. If such inventions result from research and development work specifically included within the agreement's scope of work, then Contractor agrees to assign to "pass-through" entity, without addition compensation, all its right, title and interest in and to such inventions and to assist "pass-through" entity in securing United States and foreign patents with respect thereto.

## f). Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this agreement shall not be dependent upon or include any Intellectual Property of Contractor or third party without first: (i) obtaining "pass-through" entity's prior written approval; and (ii) granting to or obtaining for "pass-through" entity's, without additional compensation, a license, as described in paragraph nineteen c), for any of Contractors or third-party's Intellectual Property in existence prior to the effective date of this agreement. If such a license upon these terms is unattainable, and "pass-through" entity determines that the Intellectual Property should be included in or is required for Contractors performance of this agreement, Contractor shall obtain a license under terms acceptable to "pass-through" entity.

## g). Warranties

- (1). Contractor represents and warrants that:
  - (a). It has secured and will secure all rights and licenses necessary for its performance of this agreement.
  - (b). Neither Contractor's performance of this agreement, nor the exercise by either Party of the rights granted in this agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or "pass-through" entity and which result directly or indirectly from this agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There are currently no actual or threatened claims by any such third party based on an alleged violation of any such right by Contractor.
  - (c). Neither Contractors performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
  - (d). It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors.
  - (e). Of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites locations, property or props that may be used or shown.
  - (f). It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to "pass-through" entity in this agreement.
  - (g). It has appropriate systems and controls in place to ensure that state and federal funds will not be used in the performance of this agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
  - (h). It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractors performance of this agreement.

(2). "PASS-THROUGH" ENTITY MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES

NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE NOW EXISTING OR SUBSEQUENTLY ISSUED.

h). Intellectual Property Indemnity

- (1). Contractor shall indemnify, defend and hold harmless "pass-through" entity and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnities") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim action, or proceeding, commenced or threatened) to which any of the Indemnities may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of "pass-through" entity's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or "pass-through" entity and which result directly or indirectly from this agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that was issued after the effective date of this agreement. "pass-through" entity reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against "pass-through" entity.
- (2). Should any Intellectual Property licensed by the Contractor to "pass-through" entity under this agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve "pass-through" entity's right to use the licensed Intellectual Property in accordance with this agreement at no expense to "pass-through" entity. "pass-through" entity shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for "pass-through" entity to continue using the licensed Intellectual Property or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, "pass-through" entity may be entitled to a refund of all monies paid under this agreement, without restriction or limitation of any other rights and remedies available at law or in equity.
- (3). Contractor agrees that damages alone would be inadequate to compensate "pass-through" entity for breach of any term of these Intellectual Property provisions of paragraph nineteen a) through nineteen i) by Contractor. Contractor acknowledges "pass-through" entity would suffer irreparable harm in the event of such breach and agrees "pass-through" entity shall be entitled to obtain equitable relief, including

without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity

i). **Survival**

The provisions set forth herein shall survive any termination or expiration of this agreement or any project schedule.

20. **Confidentiality Requirements**

The State of California and the 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 EDD, the California Department of Social Services, the California Department of Education, the California Department of Corrections and Rehabilitation, the County Welfare Department(s), the County IV- D Directors Office of Child Support, the Office of the District Attorney, the California Department of Mental Health, the California Office of Community Colleges and the Department of Alcohol and Drug Programs.

The "pass-through" entity and Contractor agree that:

- a). Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.
- b). 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.
- c). The 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 the 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.
- d). Each party agrees that no disaggregate data, identifying individuals or employers, shall be released to outside parties or the public.

- e). The Contractor shall notify "pass-through" entity's Information Security Office of any actual or attempted information security incidents, within 24 hours of initial detection, by telephone at (916) 654- 6231. 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.  
The Contractor shall cooperate with the "pass-through" entity 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 the Contractor learns of a breach in the security of the system which contains confidential data obtained under this agreement, then the Contractor must provide notification to individuals pursuant to Civil Code Section 1798.82.

- f). The 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.
- g). 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.
- h). 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.
- i). 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.
- j). 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.
- k). If the "pass-through" entity or Contractor enters into an agreement with a third party to provide WIOA services, the "pass-through" entity or Contractor agrees 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 providers, or employees.

- 1). 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. As of this date, the following are those individuals:

FOR THE "PASS-THROUGH" ENTITY

Name: Ed Clerkin  
Title: Senior Software Engineer  
Address: 3433 S.Higuera St. PO Box 8119  
San Luis Obispo, CA 93403-8119  
Telephone: (805) 781-1655  
Fax: (805) 781-1846

FOR THE CONTRACTOR

Name: Allison Schiavo  
Title: Workforce Services Director  
Telephone: (805)903-1424

21. Signatures

This agreement is of no force and effect until signed by both of the parties hereto. Contractor will not commence performance prior to the beginning of this agreement.