



**MIKE FEUER**  
CITY ATTORNEY

**MEMORANDUM**

<b>To:</b> The Honorable Eric Garcetti Mayor of Los Angeles City Hall Los Angeles, CA 90012 Attention: Mandy Morales	Honorable Members of City Council City of Los Angeles City Hall Los Angeles, CA 90012 Attention: Patrice Lattimore
--	--

**From:** Janette Flintoft, Director of Grants Operations *JP*

**Date:** September 30, 2019

**Re:** FY 2019/20 Dispute Resolution Program (Restorative Justice)  
Funding - Year 1/5

Transmitted herewith for Mayor and City Council consideration is FY 2019/20 funding totaling \$137,810 to offset six ongoing Neighborhood Justice Program (NJP) positions. Funding originates from the County of Los Angeles Department Workforce Development, Aging and Community Services, following a competitive process. The County serves as the pass through agency to allocate California Dispute Resolution Program Act monies.

This term represents Year One of a five year grant award, renewable each year.

NJP provides eligible first-time, non-violent misdemeanor offenders a valuable opportunity to participate in a pre-filing diversion program in lieu of having their case filed and processed through the traditional criminal justice system. During FY 2018/19, NJP initiated 615 diversion cases and successfully resolved 592 of them. A total of 12 mediators and 19 stakeholder groups underwent training. As of June 30, 2019, NJP has received a total of 4,934 referrals for pre-filing diversion, initiated 2,952 diversion cases, and successfully resolved 2,718 of them. NJP's total two-year citywide recidivism rate (including all 21 Los Angeles Police Department area divisions) was five percent. NJP has co-located 10 community panel sites at Family Source Centers throughout the City of Los Angeles. NJP participants have completed 21,389 hours of community service throughout Los Angeles.







**City of Los Angeles**  
Grant Award Notification and Acceptance

Recipient Department			
This Grant Award is: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation/Renewal <input type="checkbox"/> Supplemental <input type="checkbox"/> Suballocation			
Grants Coordinator:	Janette Flintoft	E-Mail:	janette.flintoft@lacity.org
Project Manager:	Saminh Greenberg	E-Mail:	saminh.greenberg@lacity.org
Department/Bureau/Agency:	City Attorney	Phone:	310-570-0686
		Phone:	213-978-8100
		Date:	09/23/2019

Grant Information			
Name of Grantor:		Pass Through Agency:	
CA Other			
Grant Program Title: DRP (Restorative Justice)		Notification of Award Date:	
County of Los Angeles: Los Angeles County Dispute Resolution Program		June, 2019	
Funding Source (Public / Private):	Grant Type:	Funds Disbursement:	Agency's Grant ID:
State	Competitive/Discretionary	Reimbursement	CFDA#:
			Other ID#:
			eCivis ID#:
Match Requirement:	Yes	Amount:	\$34,453.00 %Match 25
Match Type:	Cash/In-Kind	Identify Source of Match:	
Fiscal Information:	Awarded Funds:	Match/In-Kind Funds:	Additional/Leverage Funds:
	\$137,810.00	\$34,453.00	Total Project Budget: \$172,263.00

Approved Grant Budget Summary				
Category	Awarded	Match	Additional	Explanation
Personnel				
Salary - Administrative Coordinator	\$89,941.00	\$22,485.25		% distribution of AC
Fringe - Administrator	\$41,481.00	\$10,370.25		% distribution of AC
Materials/Supplies				
Consumable Supplies	\$2,500.00	\$625.00		Volunteer food
Travel				
Travel	\$738.00	\$184.50		Program enhancement opportunities outside
Other				
Training	\$3,150.00	\$787.50		Personnel and volunteer training
Total	\$137,810.00	\$34,452.50		

Approved Project			
Descriptive Title of Funded Project: Dispute Resolution FY 2019-20 (Restorative Justice)			
Performance Period Start/End Dates (Month/Day/Year):		Citywide: Yes	
Start: 07/01/2019	End: 06/30/2020	Affected Council District(s): All	
		Affected Congressional District(s):	
Purpose:			
Identify Internal Partners (City Dept/Bureau/Agency): LAPD			
Identify External Partners: LAPD			

Summary
Please provide a project summary including goals, objectives (metrics), specific outcomes, and briefly describe the activities that will be used to achieve these goals. You may attach an additional sheet of paper if necessary.
New grant cycle to continue what was formerly the Victim Offender sub category, now called Restorative Justice. Grant funds provide continuation of NJP program.

### Recommendations

Please provide a complete list of necessary actions for implementation, including acceptance of the award by the City, Controller instructions for fund and accounts set-up, coordination of project activities (such as contract and position authorities).

We therefore request that the City Council, subject to the approval of the Mayor:

1. AUTHORIZE the City Attorney or his designee to approve the Standard Agreement with the County of Los Angeles Workforce Development, Aging, and Community Services for the period of July 1, 2019 to June 30, 2020, subject to the approval of the City Attorney as to form.
2. ACCEPT funding in the amount of \$137,810 from the Community and Senior Services of Los Angeles County to maintain operations.
3. APPROVE the City cash and in-kind match and additional contribution in the amount of \$34,452 for the period of July 1, 2019 through June 30, 2020.
4. AUTHORIZE the Controller to:
  - a. Establish a receivable within Fund 368 in the amount of \$137,810 from the County of Los Angeles
  - b. Establish a new appropriation account within Fund 368 as follows:  
Account 12S702 – DRP RJ Grant – \$ 137,810
- c. Transfer \$ 89,941 from Fund 368, Account 12S701 to Fund 100, Department 12, Account 001010 – Salaries General.
- d. Upon receipt of grant funds, transfer up to \$ 41,481 from Fund 368, Account 12S701 to Fund 100, Department 12, Revenue Account 5346 – Related Cost Reimbursements from grants.
5. AUTHORIZE the City Attorney to prepare Controller instructions for any necessary technical adjustments, subject to the approval of the City Administrative Officer and instruct the Controller to implement the instructions.

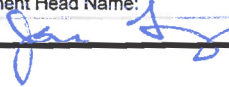
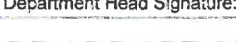
### Fiscal Impact Statement

Please describe how the acceptance of this grant will impact the General Fund. Provide details on any additional funding that may be required to implement the project/program funded by this grant.

There is no fiscal impact to accept this grant. Indirect costs for the staff positions were included in the adopted FY 2019/20 budget.

### Acceptance Packet

The above named Department has received an award for the Grant Program identified above, accepts full responsibility for the coordination and management of all Grant funds awarded to the City, and will adhere to any policies, procedures and compliance requirements set forth by the Grantor and its related agencies or agents, as well as those of the City, and its financial and administrative departments. The following items comprise the Acceptance Packet and are attached for review by the CAO Grants Oversight Unit:

<input checked="" type="checkbox"/> Grant Award Notification and Acceptance	<input type="checkbox"/> Copy of Award Notice
<input checked="" type="checkbox"/> Grant Project Cost Breakdown (Excel Document)	<input checked="" type="checkbox"/> Copy of Grant Agreement (if applicable)
<input checked="" type="checkbox"/> Detail of Positions and Salary Costs (Excel Document)	<input type="checkbox"/> Additional Documents (if applicable)
Department Head Name: 	Department Head Signature: 
	Date: 10/1/19

### For CAO Use Only

The Office of the City Administrative Officer, Grants Oversight Unit has reviewed the information as requested, and has determined that the Acceptance Packet is:

- ☐ Complete The Acceptance Packet has been forwarded to appropriate CAO analyst
- ☐ Returned to Department (Additional information/documentation has been requested.)
- ☐ Flagged (See comments below.)

Comments:

CAO Grants Oversight Unit Signature:

Date:

**Grant Award Notification and Acceptance  
Grant Project Cost Breakdown**

Grant Name: Dispute Resolution Program (Restorative Justice)		Additional Costs**			Department: Office of the City Attorney	
Grant Project Breakdown	Grant Funds	City Funds	Non-City Funds	Total	Comments	
<b>Salaries</b>						
1010 Salaries General				-		
1020 Salaries Grant Reimbursed	89,941	-		89,941	(Program Volunteers) Match requirement	
1070 Salaries As Needed						
1090 Overtime						
<b>Salaries Total:</b>	\$ 89,941	\$ -	\$ -	\$ 89,941		
<b>Related Costs*</b>						
	<b>CAP Rate</b>					
Fringe Benefits	46.12%	41,481	-	41,481		
Department Administration	23.44%		21,082	21,082	Match requirement	
Central Services	12.55%		11,288	11,288	Match requirement	
<b>Related Costs Total:</b>		\$ 41,481	\$ 32,370	\$ 73,851		
<b>Expense</b>						
2120 Printing & Binding				-		
2130 Travel	738			738		
3040 Contractual Services				-		
3310 Transportation				-		
4160 Governmental Meetings				-		
6010 Office and Admn Expenses	5,650			5,650		
6020 Operating Supplies				-		
7300 Equipment				-		
<b>Expenses Total:</b>	6,388	-	-	6,388		
<b>Grand Total:</b>	\$ 137,810	\$ 32,370	\$ -	\$ 170,180		
*Please use the full Cost Allocation Plan (CAP) rates unless disallowed by the Grantor. CAP rates should be applied to Gross Salaries (including Compensated Time Off.)						
**Other sources of funding. Please indicate whether these funds are part of a match requirement and whether they are already provided or new funding is required.						

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PF2 (091222)





lacounty.gov

Hilda L. Solis  
Mark Ridley-Thomas  
Sheila Kuehl  
Janice Hahn  
Kathryn Barger

**COUNTY OF LOS ANGELES  
WORKFORCE DEVELOPMENT, AGING  
AND COMMUNITY SERVICES**

3175 West Sixth Street • Los Angeles, CA 90020

Tel: 213-738-2600 • Fax: 213-487-0379



wdacs.lacounty.gov

Otto Solórzano  
Acting Director

*"Connecting communities and improving the lives of all generations"*

SENT VIA EMAIL

May 8, 2019

Mr. Michael N. Feuer  
Office of the Los Angeles City Attorney  
200 N. Main Street, 8<sup>th</sup> Floor  
Los Angeles, CA 90012  
Mike.Feuer@lacity.org

**DISPUTE RESOLUTION PROGRAM (DRP)  
REQUEST FOR PROPOSALS (RFP)  
RFP NO.: DRP-1924  
AWARD NOTIFICATION LETTER**

Dear Mr. Feuer:

Thank you for submitting a proposal in response to the above mentioned RFP. County of Los Angeles Workforce Development, Aging and Community Services (County) has completed its evaluation of all proposals. **Congratulations, your organization has been determined to be the highest rated Proposer for the Restorative Justice Dispute Resolution Services for Supervisorial District (SD) five (5). Your organization has been recommended for funding in the amount of \$80,000 to serve this area with a unit rate of \$625.**

While your agency received the highest RFP Score for SD 5, it did not receive the highest RFP Score for SDs one (1) through four (4). However, we would like to offer you \$57,810 at the same unit rate of \$625 through a non-competitive sole source Subaward to provide Adult Restorative Justice Dispute Resolution Services for the following Supervisorial Districts (SDs): SD 1, SD 2, SD 3, and SD 4.

**Therefore, your agency is being recommended for a total funding of \$137,810.**

**Please confirm if you will accept this additional award by emailing DRPRFP@wdacs.lacounty.gov by Friday May 10, 2019. The Subaward(s) term will**

commence on July 1, 2019 through June 30, 2020 with the County's option to renew for a maximum of four (4) one (1)-year optional renewals.

The next steps in this process will include the following:

1. If your organization intends to accept all of the terms and conditions of the prospective Subaward (refer to the RFP Appendix C (Sample Subaward)), then prepare a Letter of Intent using the attached sample. The Letter of Intent must be written on your organization's letterhead and must be signed by your organization's Authorized Representative.
2. Submit the Letter of Intent to County as follows:

Send an electronic copy, which must be received by County no later than Monday, May 13, 2019 by 12:00 p.m. (Pacific Standard time), to the following address: [DRPRFP@wdacs.lacounty.gov](mailto:DRPRFP@wdacs.lacounty.gov).

Mail the original hardcopy with the wet signature, which must be received by County no later than Friday, May 17, 2019, to the following address:

County of Los Angeles  
Workforce Development, Aging and Community Services  
Attention: Contracts Management Division  
3175 West Sixth Street, Room 403  
Los Angeles, CA 90020

3. Upon receipt of your Letter of Intent, County will recommend your organization to the County of Los Angeles Board of Supervisors (Board) for a Subaward.
4. Upon Board approval, County will send you the subaward documents to be completed and executed along with the final funding allocation letter.

If you have any questions, please send an e-mail to WDACS using the following address: [DRPRFP@wdacs.lacounty.gov](mailto:DRPRFP@wdacs.lacounty.gov).

Thank you again for submitting your proposal, and we look forward to partnering with your organization to provide DRP Services to the residents of the Los Angeles County.

Sincerely,



Carol Domingo, Program Manager  
Contracts Management Division

Attachment  
c: Jose Egurbide





RS

## **SUBAWARD**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**WORKFORCE DEVELOPMENT, AGING AND COMMUNITY  
SERVICES**

**AND**

**OFFICE OF THE LOS ANGELES CITY ATTORNEY**

**FOR**

**DISPUTE RESOLUTION PROGRAM (DRP)  
SUBAWARD NUMBER DRP192008  
SUBAWARD PERIOD JULY 2019 - JUNE 2020**

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## RECITALS

This agreement for services ("Subaward" or "Contract") is made and entered into this **1st day of July, 2019** by and between the parties below:

**County of Los Angeles**  
**Workforce Development, Aging and Community Services**  
("County")

County's Business Address:  
**3175 West Sixth Street**  
**Los Angeles, Ca 90020**

and

**Office of the Los Angeles City Attorney**  
("Subrecipient" or "Contractor")

Subrecipient's Business Address:  
**222 South Hill Street**  
**Los Angeles, Ca 90012**

WHEREAS, pursuant to the California Government Code Section 26227 and the California Business and Professions Code Section 465, County may operate programs which are determined to serve public purposes and County may contract with agencies for the provision of such services; and

WHEREAS, the Dispute Resolution Programs Act of 1986 ("DRPA"), California Business and Professions Code Sections 465 - 471.5, provides that a portion of the funds collected from local court filing fees may be used to establish local informal dispute resolution programs for residents, businesses and organizations ("Program Services" or "Services"); and

WHEREAS, the DRPA has designated the California Department of Consumer Affairs ("State") to oversee the statewide administration of all dispute resolution programs, and it has also authorized Los Angeles County to allocate a portion of the court filing fees it collects to implement and provide funding for County's Dispute Resolution Program ("DRP" or "Program"), which provides Services to Clients, as defined in Exhibit A (Statement of Work); and

WHEREAS, County shall implement and oversee the Program Services within its jurisdictional boundaries and, to this end, County has procured Subrecipient in order to enter into this Subaward with Subrecipient whereby Subrecipient shall provide these Services in accordance with the DRPA, regulations, directives and Program guidelines (and all amendments thereto) which are promulgated by both County and State authorities; and

WHEREAS, County and Subrecipient recognize and agree that specific terms (including, but not limited to, Subrecipient, Contractor, Subaward, Contract, etc.) which are used throughout this agreement for Services are required to be used interchangeably in order to comply with Federal, State and County regulations as stated in Subparagraph 2.2; and

WHEREAS, Subrecipient warrants that it possesses and shall maintain the competence, expertise and

personnel necessary to provide such Services throughout the term of this Subaward; and

WHEREAS, Subrecipient further warrants that throughout the entirety of this Subaward, Subrecipient shall establish and implement written administrative, management and personnel policies and procedures to govern the management and administration of the Program in order to ensure that all goals and objectives are achieved as contracted; and

WHEREAS, on **June 11, 2019**, the Los Angeles County Board of Supervisors authorized the Director of the County of Los Angeles Workforce Development, Aging and Community Services ("County's Department Head") or his/her designee to enter, execute and administer this Subaward;

NOW therefore, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto agree as follows:

#### **1.0 APPLICABLE DOCUMENTS**

- 1.1 Exhibits A, D, E, F, G1, H, I, N, O, P, Q, R, S, T, U, V, W, X, Y, and AA are attached to and form a part of this Subaward. This Subaward constitutes the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Subaward. No change to this Subaward shall be valid unless prepared pursuant to Subparagraph 8.1 (Amendments) and signed by both parties.
- 1.2 Subrecipient's Proposal submitted in response to the Dispute Resolution Program Request for Proposals (RFP) is incorporated and made part of this Subaward. Subrecipient's misrepresentation of any required element in its Proposal submitted in response to the RFP shall be considered an event of default and this Subaward may be terminated in whole or in part pursuant to available remedies provided in Subparagraph 8.43 (Termination for Default).
- 1.3 The headings, page numbers, Paragraph and Subparagraph numbers contained in this Subaward are for convenience and reference only and are not intended to define the scope of any provision herein.
- 1.4 References in this Subaward to Federal, State, County and/or other governmental laws, rules, regulations, ordinances, guidelines, directives and Program memoranda shall mean such laws, rules, regulations, ordinances, guidelines, directives and Program memoranda as amended, revised and/or modified from time to time. To access current County directives, contact your assigned Contract Analyst or visit County's website at: <http://wdacs.lacounty.gov/programs/program-directives/>.
- 1.5 Unless expressly stated otherwise, all approvals, consents and determinations made by or on behalf of County, under this Subaward, shall be in writing, and shall be given or made in the sole discretion of the person or County agent authorized to provide such approval or consent.
- 1.6 In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, Service, or other work, or otherwise between the base Subaward and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the terms and conditions of the Subaward and then to the Exhibits according to the following priority:

- 1.6.1 Exhibit A (Statement of Work)
- 1.6.2 Exhibit D (Subrecipient's Equal Employment Opportunity Certification)
- 1.6.3 Exhibit E (County's Administration)
- 1.6.4 Exhibit F (Subrecipient's Administration)
- 1.6.5 Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement)
- 1.6.6 Exhibit H (Jury Service Ordinance)
- 1.6.7 Exhibit I (Safely Surrendered Baby Law)
- 1.6.8 Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"))
- 1.6.9 Exhibit O (Charitable Contributions Certification)
- 1.6.10 Exhibit P (Definitions)
- 1.6.11 Exhibit Q (Accounting, Administration and Reporting Requirements)
- 1.6.12 Exhibit R (Joint Funding Revenue Disclosure)
- 1.6.13 Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies)
- 1.6.14 Exhibit T (Inventory Control Form)
- 1.6.15 Exhibit U (Certification of Compliance with County's Defaulted Property Tax Reduction Program)
- 1.6.16 Exhibit V (Contract Management System - Contractor's Gateway Terms and Conditions of Use)
- 1.6.17 Exhibit W (Budget)
- 1.6.18 Exhibit X (Mandated Program Services)
- 1.6.19 Exhibit Y (List of Lower Tier Subawards)
- 1.6.20 Exhibit AA (Subrecipient's Compliance with Encryption Requirements)
- 1.7 Intentionally Omitted
- 1.8 All forms of written communications (including but not limited to letters (i.e., allocation letters, etc.), notices, directives, e-mails, etc.) provided to Subrecipient pertaining to Program Services, operations, funding, budgeting, and the like are hereby incorporated by reference and shall form a part of this Subaward. Subrecipient shall comply with all directions and instructions

issued by County through these forms of communication.

## **2.0 DEFINITIONS AND HEADINGS**

- 2.1 The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. Exhibit P (Definitions) provides the meaning of key words used herein. These definitions shall be construed to have the meaning provided, unless otherwise apparent from the context in which they are used, or specifically noted herein.
- 2.2 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that in order to comply with the requirements of Title 2 Code of Federal Regulations Part 200 et seq., throughout the entirety of this Subaward, specific terms are used to refer to this agreement which is identified as "Subaward By and Between County of Los Angeles Workforce Development, Aging and Community Services and Office of the Los Angeles City Attorney for Dispute Resolution Program Subaward Number DRP192008 Subaward Period July 1, 2019 - June 30, 2020" ("Subaward"), the party to this agreement who is identified as **Office of the Los Angeles City Attorney** ("Subrecipient"), a third-party agreement ("Lower Tier Subaward") and a third-party ("Lower Tier Subrecipient"). In order to comply with County of Los Angeles statutes and Board mandates, in some instances, other similar terms are also used to refer to this agreement which is identified as "Subaward By and Between County of Los Angeles Workforce Development, Aging and Community Services and Office of the Los Angeles City Attorney for Dispute Resolution Program Subaward Number DRP192008 Subaward Period July 1, 2019 - June 30, 2020" ("Contract"), the party to this agreement who is identified as **Office of the Los Angeles City Attorney** ("Contractor"), a third-party agreement ("Subcontract") and/or a third-party ("Subcontractor"). In all cases, when the terms Subaward, Subrecipient, Lower Tier Subaward and Lower Tier Subrecipient are used then these shall have the meaning provided herein and as noted in Exhibit P (Definitions).

## **3.0 WORK**

- 3.1 Pursuant to the provisions of this Subaward, Subrecipient shall fully perform, complete and deliver on time, all tasks, deliverables, Services and other work as set forth herein.
- 3.2 If Subrecipient provides any tasks, deliverables, goods, Services, or other work, other than as specified in this Subaward, the same shall be deemed to be a gratuitous effort on the part of Subrecipient, and Subrecipient shall have no claim whatsoever against County.
- 3.3 In the performance of this Subaward, Subrecipient shall comply with the following (which may be amended, modified or revised from time to time by County and/or other funding authorities): all terms and conditions of this Subaward (including all terms contained in the Exhibits hereto) as well as those imposed and required by County and/or other funding authorities; all Program memoranda; implementing regulations; grant requirements; and, all relevant rules and policies.
- 3.4 Subrecipient acknowledges that time is of the essence in the provision and completion of the Work provided to County as stipulated in this Subaward, as is the timely conveyance of reporting deliverables to County, as also stipulated in this Subaward.
- 3.5 Subrecipient's performance under the requirements of this Subaward will be



evaluated during each Fiscal Year (hereafter "Fiscal Year" or "Program Year"). Subrecipient shall provide one-hundred percent (100%) of Services and expend one-hundred percent (100%) of the Subaward Sum allocated for any Fiscal Year under this Subaward as stated in: Paragraph 5.0 (Subaward Sum); Exhibit A (Statement of Work), Subsection 10.1.5.1.6.6; Exhibit W (Budget); and, Exhibit X (Mandated Program Services).

- 3.6 Subrecipient shall complete a new Exhibit W (Budget) and Exhibit X (Mandated Program Services) and submit them to County prior to the beginning of each Fiscal Year or as directed by County. Such documents shall be completed in accordance with the requirements noted on each such document, as directed by County, and pursuant to Program guidelines.
- 3.7 Subrecipient acknowledges that this Subaward includes Performance Requirements and Standards which are provided in Exhibit A (Statement of Work), Exhibit 2 (Performance Requirements Summary Chart). These Requirements will be used to measure Subrecipient's performance of the Subaward and the Work. Subrecipient shall adhere to the Performance Requirements, Standards and the corresponding Acceptable Quality Level identified in Exhibit A (Statement Work), Exhibit 2 (Performance Requirements Summary Chart).
- 3.8 The Subaward Sum allocated for any Fiscal Year under this Subaward and the Services associated with those funds may be reduced from Subrecipient's allocation and reallocated to other Program Subrecipients that are performing and/or expending at a higher level and qualify for increases if Subrecipient fails to provide at least ninety percent (90%) of the Services and/or expend at least ninety percent (90%) of the Subaward Sum allocated during the Fiscal Year as provided in Paragraph 5.0 (Subaward Sum).
- 3.9 Subrecipient agrees that the performance of Work and Services pursuant to the requirements of this Subaward shall conform to accepted professional standards.

#### **4.0 TERM OF SUBAWARD**

- 4.1 The term of this Subaward shall be one (1) year commencing on July 1, 2019, upon execution by the parties, and shall continue through June 30, 2020, unless sooner terminated or extended in writing by County, in whole or in part, as provided in this Subaward. The term of this Subaward will operate on County's Fiscal Year period as defined in Exhibit P (Definitions).
- 4.2 Following the initial term as set forth in Subparagraph 4.1 above, County shall have the sole option to extend the Subaward term for up to four (4) additional one (1) year periods for a maximum total Subaward term of five (5) years. Each such extension option shall be exercised at the sole discretion of County's Department Head or his/her designee as authorized by the Board of Supervisors.
- 4.3 Subrecipient acknowledges County maintains databases that track/monitor Subrecipient's performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise a Subaward term extension option.
- 4.4 Subrecipient shall notify County when this Subaward is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, Subrecipient shall send written notification to County's Contract Manager at the address herein provided in Exhibit E (County's Administration).

#### **5.0 SUBAWARD SUM**

## 5.1

### TOTAL SUBAWARD SUM

#### 5.1.1 Cost Reimbursement Subaward

5.1.1.1 County and Subrecipient agree that this is a cost reimbursement Subaward. County and Subrecipient further agree that all expenditures represent Subrecipient's true, actual and supported costs which are incurred solely for providing Services hereunder. For purposes of this Subaward, such true/actual costs are those costs which are net of any applicable credits including, but not limited to, discounts, refunds, adjustments, rebates, allowances, etc. and are inclusive of any taxes, delivery/shipping charges, etc.

5.1.1.2 County shall reimburse Subrecipient for supplying the Services as set forth in Exhibit A (Statement of Work), Exhibit W (Budget) and Exhibit X (Mandated Program Services). In the event that County or any of its duly authorized representatives (including, but not limited to, Federal, State and other County agents) notes any discrepancy(ies) between Subrecipient's true/actual costs and the costs which have been reimbursed to Subrecipient then County shall remedy such discrepancy(ies) at County's sole discretion.

5.1.1.3 Subrecipient shall track all Subaward Sums. Subrecipient shall provide a tracking of Subaward Sums during an audit as indicated in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement).

#### 5.1.2 Funding Allocations

5.1.2.1 During the term of this Subaward, Subrecipient shall receive funding for providing the Services outlined in this Subaward. The funding allocation for the initial term of this Subaward is **\$137,810** ("Subaward Sum Year 1") and the year-to-date funding allocation is **\$137,810** ("Maximum Subaward Sum"). Any additional funding that is allocated under this Subaward will increase the Maximum Subaward Sum.

5.1.2.2 In the event that County exercises its renewal options under this Subaward, the projected funding will be allocated to Subrecipient annually for each Fiscal Year that this Subaward is renewed as follows: **\$137,810** ("Subaward Sum Year 2"); **\$137,810** ("Subaward Sum Year 3"); **\$137,810** ("Subaward Sum Year 4"); and, **137,810** ("Subaward Sum Year 5"). If County exercises all renewal options under this Subaward, the Maximum Subaward Sum is projected to be **\$689,050**.

5.1.2.3 Pursuant to Subparagraph 8.1 (Amendments), County may amend this Subaward upon occurrence of any changes to the Subaward Sum. Future allocations of the Subaward Sums will be



contingent upon Subrecipient's level of performance/expenditure and the availability and appropriation of funds from Federal, State, and/or local authorities and such funds may be subsequently adjusted to reflect available funding.

**5.1.2.4 Subaward Sum Year 1 Funding Source(s)**

5.1.2.4.1 The Subaward Sum Year 1 for this Subaward is comprised of monies which are identified by the funding source(s) or governing statute(s) listed below. The funding source(s) and governing statute(s) authorize County to use these monies to provide Program Services.

5.1.2.4.2 Dispute Resolution Program Act original baseline funds available for use for contracted DRP Services identified in the "Fiscal Year 2019-20 Original Baseline Funding Allocation for Dispute Resolution Program Services" funding allocation letter for the term of July 1, 2019 through June 30, 2020: **\$137,810**

**5.2 WRITTEN APPROVAL FOR REIMBURSEMENT**

5.2.1 Subrecipient shall not be entitled to payment or reimbursement for any tasks or Services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of Subrecipient's duties, responsibilities, or obligations, or performance of same by any person or entity other than Subrecipient, whether through assignment, Lower Tier Subaward, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall not occur except with County's express prior written approval.

**5.3 NOTIFICATION OF 75% OF SUBAWARD SUM**

5.3.1 Subrecipient shall maintain a system of record keeping that will allow Subrecipient to determine when it has incurred seventy-five percent (75%) of the Maximum Subaward Sum under this Subaward. Upon occurrence of this event, Subrecipient shall send written notification to County's Contract Manager at the address provided in Exhibit E (County's Administration).

**5.4 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION OR TERMINATION OF SUBAWARD**

5.4.1 Subrecipient shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any Service provided by Subrecipient after the expiration or other termination of this Subaward. Should Subrecipient receive any such payment, Subrecipient shall immediately notify County's Contract Manager and shall immediately repay all such funds to County. Payment by County for Services rendered after expiration or termination of this Subaward shall not constitute a waiver of County's right to recover such payment from

Subrecipient. This provision shall survive the expiration or other termination of this Subaward.

## **5.5 INVOICES AND PAYMENTS**

5.5.1 Subrecipient shall invoice County only for providing the tasks, deliverables, goods, Services, and other work specified in Exhibit A (Statement of Work) and elsewhere hereunder. Subrecipient shall prepare invoices, which shall include the charges owed to Subrecipient by County under the terms of this Subaward. Each invoice shall be based on actual expenditures and Subrecipient shall not submit an invoice based on budgeted or estimated costs (i.e., Subrecipient shall not submit an invoice based on 1/12th of the Subaward Sum allocated for any Fiscal Year under this Subaward). Payments to Subrecipient shall be based on the information provided by Subrecipient as established in Exhibit W (Budget) for the Fiscal Year identified therein, and Subrecipient shall be paid only for the tasks, deliverables, goods, Services, budgeted items and other work approved in writing by County. If County does not approve the Work in writing, no payment shall be due to Subrecipient for that Work.

5.5.2 Subrecipient's invoices shall be priced in accordance with the information provided in Exhibit W (Budget) and Exhibit X (Mandated Program Services) for the Fiscal Year (or Program Year) identified therein.

5.5.3 Subrecipient's invoices shall contain the information set forth in Exhibit A (Statement of Work), Exhibit W (Budget) and Exhibit X (Mandated Program Services) for the Fiscal Year (or Program Year) identified therein, describing the tasks, deliverables, goods, Services, Work hours, budgeted items and facility and/or other work for which payment is claimed.

### **5.5.4 Submission of Invoices**

5.5.4.1 Subrecipient shall prepare monthly invoices, along with any necessary supporting documentation for each invoice, for Subrecipient's Work performed under the requirements of this Subaward. Upon direction of County, Subrecipient shall provide all support documentation required by County, including, but not limited to, vendor invoices, receipts of payment, bank statements, and/or bank registers. All supporting documentation must be able to justify the costs invoiced and be submitted to County within thirty (30) days following the date the corresponding monthly invoice is submitted. County reserves the right to require Subrecipient to upload all required support documentation using County's Information Technology Systems (ITS) which may include the Contract Management System (CMS) - Contractor's Gateway or via other ITS identified by County. Subrecipient shall submit all invoices to County in the form and manner as directed by County by the 10th calendar day of the month following the month of Service (e.g., Subrecipient shall submit an invoice for Services provided in October by November 10th for reimbursement). Subrecipient shall also submit the

final, year-end invoice to County no later than the 10th calendar day of the month following the month in which final Services were provided during the Fiscal Year or Program Year. In both instances, when the 10th calendar day falls on a non-business day (Saturday, Sunday or Los Angeles County holiday), Subrecipient shall submit the invoice by the following business day. County reserves the right to modify in writing the due date(s) for the submission of invoices as needed in order to meet regulatory deadlines.

5.5.4.2 Subrecipient shall submit an invoice for each month of Service as directed above and invoices shall be submitted in chronological order (e.g., July, August, September, etc.). For example, Subrecipient shall not submit the September invoice unless the August invoice was previously submitted by the 10th calendar day following the month of August. County will not be under any obligation to pay any invoice that is submitted out of chronological order until Subrecipient takes the appropriate measures to adhere to these requirements.

5.5.4.3 When Subrecipient does not incur any expenditures for the month of Service, Subrecipient shall prepare an invoice as directed by County so that the invoice reflects zero dollars (\$0) expenditures. Subrecipient shall submit the invoice according to the procedures outlined herein and as further directed by County.

5.5.4.4 Subrecipient is responsible for the accuracy of invoices submitted to County. Subrecipient shall reconcile its invoices and correct inaccuracies or inconsistencies in the invoices it submits to County. Subrecipient and County agree as follows:

5.5.4.4.1 When County or its designee discovers that Subrecipient has been overpaid, County will send Subrecipient written notification to request return of the overpayment. Overpayment includes, but is not limited to, payment(s) made to Subrecipient that exceeds the Subaward Sum allocated for any Fiscal Year under this Subaward. Subrecipient shall return such overpayment to County's Compliance Manager within thirty (30) days of receiving County's written notification.

5.5.4.4.2 When Subrecipient receives or discovers any overpayment from County, Subrecipient shall immediately notify County's Compliance Manager in writing of such overpayment. Subrecipient shall immediately return such overpayment to County's Compliance Manager within thirty (30) days of receiving or discovering the overpayment.

5.5.4.4.3 At County's sole election, overpayment made to Subrecipient may be used to offset future payments due Subrecipient.

5.5.4.5 Subrecipient shall submit a complete, accurate, verifiable and timely invoice for each month of Service as directed above. Subrecipient shall also submit a complete, accurate, verifiable and timely final year-end invoice as also directed above. Subrecipient's failure to comply with these requirements may result in delayed processing of payment(s). Any invoice which does not adhere to County's requirements may be rejected at County's sole discretion. Subrecipient's continued non-compliance with County's invoicing policies and procedures may lend Subrecipient to remedies which County may impose at County's sole discretion.

#### 5.5.5 **County Approval of Invoices**

5.5.5.1 All invoices submitted by Subrecipient for payment must have the written approval of County's Contract Manager or designee prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

#### 5.5.6 **Payments to Subrecipient**

5.5.6.1 In accordance with the invoicing policies and procedures set forth in this Subaward as well as those provided by County, County agrees to pay Subrecipient for the satisfactory provision of the Services identified in Exhibit A (Statement of Work) and any amendments, addendums or modifications thereto. Such payment shall not exceed the amount(s) indicated in Subparagraph 5.1.2 (Funding Allocations). All payments to Subrecipient will be made in arrears on a monthly basis for Services performed, provided that Subrecipient is not in default under any provision of this Subaward. County has no obligation to pay for any work except those Services expressly authorized by this Subaward.

5.5.6.2 Payments to Subrecipient will be made within thirty (30) calendar days after receipt of an "undisputed invoice". For purposes of this Subparagraph 5.5.6, an undisputed invoice shall mean an invoice which does not contain errors and has been completed and submitted by Subrecipient pursuant to the requirements outlined herein and as directed by County. County has the final authority to determine whether or not an invoice is an undisputed invoice. Subrecipient shall promptly adhere to County's instructions for correcting an invoice in order to prevent any delays in processing payment(s). Until Subrecipient submits an undisputed invoice, County will not be under any obligation to pay any invoice that is not submitted pursuant to the requirements outlined herein and as directed by County.

5.5.6.3 All payments for Services provided under the terms of this Subaward shall be made to Subrecipient using Subrecipient's legal name and tax payer identification number. Subrecipient shall not request payments to be made to third-party vendors or any vendor which Subrecipient may use in the performance of this Subaward (i.e., Lower Tier Subrecipients). For purposes of this Subaward, Subrecipient's legal name is identified as the name on Subrecipient's articles of incorporation, charter or other legal document that was used to create Subrecipient's organization.

5.5.6.4 **Past Due Invoice**

5.5.6.4.1 Any invoice submitted more than thirty (30) days after the last day of the month in which the Services were rendered shall constitute a "past due invoice". Notwithstanding any other provision of this Subaward, Subrecipient and County agree that County shall have no obligation whatsoever to pay any past due invoices. County may, in its sole discretion, pay some or all of a past due invoice which Subrecipient has submitted, provided that sufficient funds remain available under this Subaward.

5.5.6.5 **Method of Compensation Adjustment**

5.5.6.5.1 During any Fiscal Year period within the term of the Subaward, County, at its sole discretion, has the option of altering the monthly method of payment from full reimbursement for Tasks completed to an amount equal to one-twelfth (1/12) of the Subaward Sum allocated for any Fiscal Year under this Subaward. County will provide Subrecipient with at least two



(2) weeks advance written notice of its decision to alter the method of payment.

5.5.6.5.2 In no event shall County's decision to alter the method of compensation affect the Term, the Subaward Sum allocated for any Fiscal Year under this Subaward, Work, or any other provision under this Subaward unless such change is made pursuant to a validly executed Amendment to this Subaward noting any such change(s).

**5.5.7 Subaward-Related Documents**

5.5.7.1 Subrecipient shall complete all Subaward-related documents in accordance with the requirements noted on each such document, as directed by County, and pursuant to Program guidelines. Subrecipient's failure to timely submit Subaward-related documents that are accurate and complete, as requested or required by County, may result in suspension of payments to Subrecipient or other remedies provided by law or under this Subaward. Such documents shall include, but are not limited to, the documents outlined in Subparagraph 9.20 (Subaward Document Deliverables), Subparagraph 9.21 (Fiscal Reporting Requirements) and the following: Exhibit D (Subrecipient's Equal Employment Opportunity Certification); Exhibit F (Subrecipient's Administration); Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement); Exhibit O (Charitable Contributions Certification); Exhibit R (Joint Funding Revenue Disclosure); Exhibit T (Inventory Control Form); Exhibit U (Certification of Compliance with County's Defaulted Property Tax Reduction Program); Exhibit W (Budget); Exhibit X (Mandated Program Services); Exhibit Y (List of Lower Tier Subawards); and, Exhibit AA (Subrecipient's Compliance with Encryption Requirements).

**5.5.8 Local Small Business Enterprise (Local SBE) - Prompt Payment Program**

5.5.8.1 It is the intent of County that Certified Local SBEs will receive prompt payment for Services they provide to County. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice that has been properly matched against a receiving or shipping document, service deliverable or payment schedule, or any other validation of receipt document.

**5.6 INTENTIONALLY OMITTED**

**5.7 LIMITATIONS ON USE OF SUBAWARD SUMS**

5.7.1 Subrecipient shall not be paid for any Subaward expenditures



that exceed the Subaward Sum allocated for any Fiscal Year under this Subaward. County has no obligation, whatsoever, to pay for any expenditures that exceed this Subaward Sum. Any expenditures that exceed such Subaward Sum shall become the sole fiscal responsibility of Subrecipient.

- 5.7.2 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that the requirements for expenditures made by Subrecipient in the operation of this Subaward shall be in compliance and in conformity with Title 2 Code of Federal Regulations Part 200 et al. To this end, Subrecipient shall comply with the Administrative Requirements and Cost Principles which are outlined in Exhibit Q (Accounting, Administration and Reporting Requirements), and shall adhere to the strict administrative and fiscal standards described therein. Subrecipient shall be responsible for obtaining Title 2 Code of Federal Regulations Part 200 et al., which is available via the Internet at [http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl).

5.7.3 **Limitations on Subaward Sums**

- 5.7.3.1 Subrecipient shall not be paid for any Subaward expenditures that exceed the Subaward Sum allocated for any Fiscal Year under this Subaward. County has no obligation, whatsoever, to pay for any expenditures that exceed this Subaward Sum. Any expenditures that exceed such Subaward Sum shall become the sole fiscal responsibility of Subrecipient.
- 5.7.3.2 Subrecipient shall only expend the Subaward Sum during the Fiscal Year for which it is allocated. Should County exercise its option to extend this Subaward and Subrecipient does not expend funding up to the Subaward Sum appropriated for the Fiscal Year, that unspent amount will not carry forward (or roll-over) to the following Fiscal Year.

5.7.4 **Prohibitions on Subaward Sums**

- 5.7.4.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that Subrecipient shall comply with Public Law (PL) 101-121 (Title 31 United States Code Section 1352), its amendments or revisions, and any implementing regulations as it pertains to Subaward Sums. To this end, Subrecipient is prohibited from using Subaward Sums to influence or attempt to influence a member of Congress, Congressional staff, or a Federal employee to award, make or amend any Federal subaward, grant, loan or

cooperative agreement. Subrecipient shall also comply with all certification and disclosure requirements of PL 101-121, its amendments, revisions, and implementing regulations, and shall provide assurance that all Lower Tier Subrecipients or sub-grantees under this Subaward also fully comply with such certification and disclosure requirements.

- 5.7.4.2 No materials, property, or Services contributed to County or Subrecipient under this Subaward shall be used in the performance of any of the following: any political activity; the election of any candidate or the defeat of any candidate for public office; and, the transportation of any voters or prospective voters to polls or other similar assistance in connection with an election or any voter registration activity.
- 5.7.4.3 Subaward Sums may not be used for matching funds for any Federal, State, County or local grants/cooperative agreements, lobbying or intervention in Federal regulatory or adjudicatory proceedings.
- 5.7.4.4 Subaward Sums may not be used to sue the Federal government or any other government entity.
- 5.7.4.5 Pre-award costs are not an allowable use for Subaward Sums.

## **5.8 OTHER SUBAWARDS**

- 5.8.1 Subrecipient shall immediately notify County's Contract Manager in writing of any contracts between Subrecipient and other public or private organizations which directly impact activities funded under this Subaward. A copy of any such contracts shall be kept on file at Subrecipient's offices and shall be provided to County upon request. Subrecipient shall also immediately notify County's Contract Manager in writing of any default, termination, or finding of withheld payments under such contracts between Subrecipient and other public or private organizations which directly impact activities funded under this Subaward.
- 5.8.2 Subrecipient warrants that no other funding source will be billed for Services that are provided to and paid for by County under this Subaward.

## **5.9 JOINT FUNDING REVENUES**

- 5.9.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that funds made available under this Subaward shall supplement and not supplant any other Federal, State or local funds expended by Subrecipient to provide Program Services. Subrecipient certifies that it has applied, or expects to apply, to offset in whole or in part, any of the costs incurred by Subrecipient in conducting

current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Subaward. To this end, Subrecipient shall complete Exhibit R (Joint Funding Revenue Disclosure) prior to the commencement of this Subaward (and annually thereafter). Subrecipient shall submit the completed Exhibit R (Joint Funding Revenue Disclosure) to County's Contract Manager in the time and manner as designated by County.

**5.10 INTENTIONALLY OMITTED**

**5.11 SUBRECIPIENT INDIRECT COSTS**

5.11.1 The maximum amount of indirect costs that is reimbursable under this Subaward is twenty percent (20%) of Subrecipient's total direct costs. Subrecipient shall not charge indirect costs exceeding the twenty percent (20%) of the entire Subaward. This includes both Program funds and matching funds. Indirect costs in excess of the twenty percent (20%) maximum may be budgeted as a match contribution and used to meet the minimum match requirement specified in Subparagraph 5.12 (Match Contribution).

5.11.2 The requirements for indirect costs are further outlined in Exhibit Q (Accounting, Administration and Reporting Requirements) and WDACS directive CCD-18-01 (Cost Allocation and Indirect Cost Requirements for WDACS Subawards) which is available on-line at <https://wdacs.lacounty.gov/doing-business-with-wdacs/program-directives/>.

**5.12 MATCH CONTRIBUTION**

5.12.1 Subrecipient shall provide a required match contribution to offset the total cost of providing Program Services for the Fiscal Year. Subrecipient's match contribution shall be reflected in Exhibit W (Budget). The match contribution is the non-Federal share of funding provided by Subrecipient to support the Subaward activities and it may take the form of a cash match contribution and/or an in-kind match contribution. This match is calculated as a percentage of the Subaward Sum allocated for any Fiscal Year under this Subaward as reflected in Paragraph 5.0 (Subaward Sum).

5.12.2 The required match contribution requirements for this Subaward is twenty-five percent (25%) of the Subaward Sum allocated for any Fiscal Year under this Subaward.

**5.12.3 Forms of Match Contributions**

**5.12.3.1 Match Cash Contribution**

5.12.3.1.1 A match cash contribution is a monetary donation which is provided by Subrecipient (such as general funds), non-Federal third-parties (such as partner organizations) and/or non-Federal grants and is given to Subrecipient to accomplish the goals of the Program Services.

**5.12.3.2 Match In-Kind Contribution**

5.12.3.2.1 A match in-kind contribution is a non-monetary donation of goods, properties or services which are provided by either Subrecipient or non-Federal entities without charge to the Program Services for which they are donated; it is the value of non-cash contributions donated to support Program Services. In-kind contributions typically take the form of the value of personnel, goods and/or services which may include donations of volunteer services, space, equipment, etc. and this value is determined by using the fair market value method. Using sales of comparable property or the cost of comparable services is a method which can be used to determine the fair market value of an in-kind match contribution.

**5.12.3.3 Determination of In-Kind Volunteer Services**

5.12.3.3.1 Volunteer services may be used to meet the match contribution requirement and shall be reported as match in-kind. However, when using volunteer services to meet the match contribution requirement, this in-kind match shall not exceed more than fifty percent (50%) of the required match contribution.

5.12.3.3.2 The monthly salary equivalent for volunteer services should be commensurate with the work/services being provided by volunteer. As such, the salary equivalent for volunteer services shall be determined by using the regular salaries paid for similar work in other activities of Subrecipient's organization. In cases where the kinds of skills involved are not found in other activities of the organization then the salary equivalent shall be determined by using the salaries paid for similar work in the labor market in which Subrecipient competes for such skills.

**5.13 DEFAULT METHOD OF PAYMENT: DIRECT DEPOSIT OR ELECTRONIC FUNDS TRANSFER**

5.13.1 County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/ Subaward (that is, "Contract") with County shall be Electronic Funds Transfer ("EFT") or direct deposit, unless an alternative method of



payment is deemed appropriate by the Auditor-Controller ("A-C").

- 5.13.2 Subrecipient (that is, "Contractor") shall submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and Contractor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.
- 5.13.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments.
- 5.13.4 At any time during the duration of the agreement/Contract, Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with County, shall decide whether to approve exemption requests.

## **6.0 ADMINISTRATION OF SUBAWARD - COUNTY**

### **6.1 COUNTY ADMINISTRATION**

- 6.1.1 A listing of all County Administration referenced in the following Subparagraphs is provided in Exhibit E (County's Administration). County will notify Subrecipient in writing of any change in the names or addresses shown. Said changes do not require an amendment to this Subaward.

### **6.2 COUNTY'S CONTRACT MANAGER**

- 6.2.1 The role of County's Contract Manager or his/her designee may include:
  - 6.2.1.1 Coordinating with Subrecipient and ensuring Subrecipient's performance of the Subaward. However, in no event shall Subrecipient's obligation to fully satisfy all of the requirements of this Subaward be relieved, excused or limited thereby.
  - 6.2.1.2 Upon request of Subrecipient, providing direction to Subrecipient, as appropriate in areas relating to County policy, information requirements, and procedural requirements. However, in no event shall Subrecipient's obligation to fully satisfy all of the requirements of this Subaward be relieved, excused or limited thereby.
  - 6.2.1.3 Making revisions which do not materially affect the terms and conditions of this Subaward in accordance with Subparagraph 9.9 (Modifications).
  - 6.2.1.4 Acting on behalf of County with respect to approval of Lower Tier Subawards and Lower Tier Subrecipient employees working on this Subaward.

### **6.3 COUNTY'S PROGRAM MANAGER**

6.3.1 The role of County's Program Manager or his/her designee may include:

6.3.1.1 Meeting with Subrecipient's Project Manager on a regular basis.

6.3.1.2 Inspecting any and all tasks, deliverables, goods, Services, or other work provided by or on behalf of Subrecipient. However, in no event shall Subrecipient's obligation to fully satisfy all of the requirements of this Subaward be relieved, excused or limited thereby.

6.3.2 County's Program Manager is not authorized to make any changes in any of the terms and conditions of this Subaward and is not authorized to further obligate County in any respect whatsoever.

#### **6.4 COUNTY'S COMPLIANCE MANAGER**

6.4.1 The role of County's Compliance Manager or his/her designee may include:

6.4.1.1 Verifying Subrecipient's compliance with the requirements of this Subaward.

6.4.1.2 Overseeing and monitoring the delivery of Services. However, in no event shall Subrecipient's obligation to fully satisfy all of the requirements of this Subaward be relieved, excused or limited thereby.

6.4.1.3 Ensuring that the objectives of this Subaward are met.

#### **6.5 COUNTY'S BUSINESS HOURS**

6.5.1 County's business hours are 8:00 a.m. to 5:00 p.m., Monday through Friday (excluding County recognized holidays).

6.5.2 County recognizes specific holidays during which time its offices shall be closed for business. A listing of these holidays are provided in Exhibit A (Statement of Work), Exhibit 1 (County Recognized Holidays).

### **7.0 ADMINISTRATION OF SUBAWARD - SUBRECIPIENT**

#### **7.1 SUBRECIPIENT ADMINISTRATION**

7.1.1 A listing of all of Subrecipient's administration referenced in the following Subparagraphs is provided in Exhibit F (Subrecipient's Administration). Subrecipient will notify County's Contract Manager in writing of any change in the names or addresses shown. Said changes do not require an amendment to this Subaward.

#### **7.2 SUBRECIPIENT'S PROJECT MANAGER**

7.2.1 Subrecipient's Project Manager is designated in Exhibit F (Subrecipient's Administration). Subrecipient shall notify County's Contract Manager in writing of any change in the name

or address of Subrecipient's Project Manager immediately upon occurrence of the change but no later than five (5) business days after the change is effective.

7.2.2 Subrecipient's Project Manager shall be responsible for Subrecipient's day-to-day activities as related to this Subaward and shall meet and coordinate with County's Contract Manager, County's Program Manager and County's Compliance Manager on a regular basis.

7.2.3 Subrecipient's Project Manager must have the qualifications and experience identified in Exhibit A (Statement of Work).

### **7.3 APPROVAL OF SUBRECIPIENT'S STAFF**

7.3.1 County has the absolute right to approve or disapprove all of Subrecipient's staff performing Work hereunder and any proposed changes in Subrecipient's staff, including, but not limited to, Subrecipient's Project Manager. Subrecipient shall provide County's Program Manager with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

### **7.4 SUBRECIPIENT'S STAFF IDENTIFICATION**

7.4.1 Subrecipient shall provide, at Subrecipient's expense, all staff/employees providing Services under this Subaward with a photo identification badge ("badge"). The badge shall be developed in accordance with County's specifications. Subrecipient shall obtain approval for the format and content of the badge from County's Program Manager prior to Subrecipient creating, issuing, or implementing use of the badge.

7.4.2 Subrecipient's staff, while on duty or when entering County facilities or grounds, shall prominently display the badge on the upper part of the body. Subrecipient's staff may be asked by a County representative to leave a County facility if Subrecipient's staff does not have the photo identification badge on his/her person and Subrecipient's staff must immediately comply with such request.

7.4.3 Subrecipient shall notify County's Contract Manager within five (5) days when staff is terminated from working under this Subaward. Subrecipient shall retrieve and immediately destroy the employee's badge upon the employee's termination of employment with Subrecipient.

7.4.4 If County requests the removal of Subrecipient's staff, Subrecipient shall retrieve and immediately destroy an employee's badge at the time the employee is removed from working on this Subaward.

### **7.5 BACKGROUND AND SECURITY INVESTIGATIONS**

7.5.1 Each of Subrecipient's staff/employees providing Services under this Subaward who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to provide Services under this Subaward. This background investigation shall be conducted on an annual basis throughout the entire term

of this Subaward. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and Federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of Subrecipient, regardless of whether the member of Subrecipient's staff passes or fails the background investigation. For purposes of this Subaward, a sensitive position is one in which the duties pose a potential threat or risk to Client when performed by persons who have a criminal history incompatible with those duties, whether those persons are employees of Subrecipient or other individuals who provide Services on behalf of Subrecipient pursuant to this Subaward. For Work performed under this Subaward, sensitive positions include (but is not limited to) the following:

- 7.5.1.1 Positions that involve the care, oversight, or protection of persons through direct contact with such persons (e.g., social worker, case manager, etc.).
- 7.5.1.2 Positions having direct or indirect access to funds or negotiable instruments (e.g., finance manager, accountant, bookkeeper, etc.).
- 7.5.1.3 Positions that require State and/or professional licensing (e.g., Certified Public Accountant, etc.).
- 7.5.1.4 Positions that have access to confidential or classified information including criminal conviction information (e.g., human resources manager, etc.).
- 7.5.1.5 Positions that involve the care, oversight, or protection of County, public, or private property (e.g., property custodian, etc.).
- 7.5.2 If a member of Subrecipient's staff does not pass the background investigation, County may request that the member of Subrecipient's staff be immediately removed from providing Services under this Subaward. Subrecipient shall comply with County's request at any time during the term of this Subaward. County will not provide to Subrecipient or to Subrecipient's staff any information obtained through County's background investigation.
- 7.5.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Subrecipient's staff who does not pass such investigation to the satisfaction of County or whose background or conduct is incompatible with County facility access.
- 7.5.4 No member of Subrecipient's staff providing Services under this Subaward shall be on active probation, currently on parole or have been on probation or parole within the last three (3) years.
- 7.5.5 Subrecipient and its staff, including all current and prospective employees, independent contractors, volunteers or Lower Tier Subrecipients who may come in contact with people in the

course of their Work, volunteer activity, or performance of a Lower Tier Subaward, providing Services under this Subaward shall be under a continuing obligation to disclose any prior or subsequent criminal conviction record or any pending criminal trial to County's Program Manager. Subrecipient shall inform its staff, including all current and prospective employees, independent contractors, volunteers or Lower Tier Subrecipients who may come in contact with people in the course of their Work, volunteer activity, or performance of a Lower Tier Subaward, providing Services under this Subaward of said obligation. Subrecipient shall maintain records of criminal convictions and/or pending criminal trials in the file of each such person.

- 7.5.6 Subrecipient shall immediately notify County's Program Manager of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any Subrecipient staff, independent contractor, volunteer or Lower Tier Subrecipient who may come in contact with children, elderly individuals or dependent adults while providing Services under this Subaward when such information becomes known to Subrecipient. Subrecipient shall not engage or continue to engage the services of any person convicted of any crime involving harm to minors, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to, the offenses specified in the California Health and Safety Code Section 11590 (i.e., offenses requiring registration as a controlled substance offender) and those crimes listed in the California Penal Code which involve murder, rape, kidnap, abduction, assault and lewd and lascivious acts.
- 7.5.7 Disqualification of any member of Subrecipient's staff pursuant to this Subparagraph 7.5 shall not relieve Subrecipient of its obligation to complete all Work in accordance with the terms and conditions of this Subaward.

## **7.6 CONFIDENTIALITY**

- 7.6.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that Subrecipient shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies, Program memoranda and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.6.2 Subrecipient shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Subrecipient, its officers, employees, agents, or Lower Tier Subrecipients, to comply with this Subparagraph 7.6, Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement)



and Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")), as determined by County in its sole judgment. Any legal defense pursuant to Subrecipient's indemnification obligations under this Subparagraph 7.6 shall be conducted by Subrecipient and performed by counsel selected by Subrecipient and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Subrecipient fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Subrecipient for all such costs and expenses incurred by County in doing so. Subrecipient shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

7.6.3 Subrecipient shall inform all of its officers, employees, agents and Lower Tier Subrecipients providing Services hereunder of the confidentiality provisions of this Subaward.

7.6.4 Subrecipient shall sign and also adhere to the provisions of Exhibit G1 (Subrecipient Acknowledgement and Confidentiality Agreement).

7.6.5 **Unauthorized Disclosure**

7.6.5.1 Subrecipient and its Lower Tier Subrecipient shall ensure that all confidential, sensitive and/or personal, identifying information is protected from inappropriate or unauthorized access or disclosure in accordance with applicable laws, regulations and State policies. The requirement to protect information shall remain in force until superseded by laws, regulations, or policies.

7.6.5.2 Subrecipient and its Lower Tier Subrecipient shall protect from unauthorized disclosure, confidential, sensitive and/or personal identifying information such as names and other identifying information, concerning Clients receiving Program Services pursuant to this Subaward, except for statistical information that does not identify any Client.

7.6.5.3 Subrecipient and its Lower Tier Subrecipient shall not use confidential, sensitive and/or personal identifying information for any purpose other than carrying out Subrecipient's obligations under this Subaward. Personal Identifying information shall include, but is not limited to the following: name; identifying number; social security number; State driver's license or State identification number; financial account numbers; and symbol or other identifying characteristic assigned to Client, such as finger print, voice print or a photograph.

7.6.5.4 Subrecipient and its Lower Tier Subrecipient shall not, except as otherwise specifically authorized or required by this Subaward or court order, divulge to

any unauthorized person any data or identifying information obtained while performing Work pursuant to this Subaward without prior written authorization from County. Subrecipient shall forward all requests for the release of any data or identifying information received to County's Program Manager. Subrecipient may be authorized, in writing, by Client to disclose identifying information specific to the authorizing Client.

- 7.6.5.5 Subrecipient and its Lower Tier Subrecipient may allow Client to authorize the release of information to specific entities, but shall not request or encourage Client to give a blanket authorization or sign a blank release, nor shall Subrecipient accept such blanket authorization from Client.

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 AMENDMENTS**

- 8.1.1 For any change which materially affects the Scope of Work, Subaward Term, Subaward Sum, payments, or any other term or condition included under this Subaward, an Amendment to this Subaward shall be prepared by County and executed by Authorized Representative and by County's Department Head or his/her designee.
- 8.1.2 County's Board of Supervisors, Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in this Subaward during the term of this Subaward. County reserves the right to add and/or change such provisions as required by County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to this Subaward shall be prepared by County and executed by Authorized Representative and by County's Department Head or his/her designee.
- 8.1.3 County's Department Head or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Subaward). Subrecipient agrees that such extensions of time shall not change any other term or condition of this Subaward during the period of such extensions. To implement an extension of time, an Amendment to this Subaward shall be prepared by County and executed by Authorized Representative and by County's Department Head or his/her designee.
- 8.1.4 The following events shall also warrant an Amendment to this Subaward as described in this Subparagraph 8.1:
  - 8.1.4.1 County may initiate a unilateral Amendment to this Subaward at any time when required by Federal, State or County laws or policies, and shall immediately notify Subrecipient of said Amendment and the justification thereto.

8.1.4.2 To the extent that funding for the Program is eliminated or otherwise reduced, the Program is terminated or the Program is modified for any reason (such that funding is reduced or the Scope of Work is changed), County may in its sole discretion amend this Subaward accordingly or move to terminate pursuant to the provisions in Subparagraph 8.42 (Termination for Convenience) without further liability for Services yet to be rendered by Subrecipient.

**8.1.5 Change Notice**

8.1.5.1 For any change which does not affect the Scope of Work performed under this Subaward, the Subaward Term or Subaward Sum, and does not otherwise materially change any other term or condition under this Subaward, County reserves the right to initiate such change(s) through a Change Notice Program memorandum or an administrative directive which shall all have the same effect as an Amendment. Such Change Notice shall be a written document that is prepared by County at its sole discretion and is signed by County's Contract Manager or designee. A Change Notice will be used to communicate changes which do not warrant an amendment to this Subaward. Such Change Notice shall be provided to Subrecipient at least ten (10) days prior to its effective date and Subrecipient shall adhere to the requirements as specified therein. Subrecipient's failure to comply with the Change Notice(s) may result in County imposing remedies including suspension of payment(s), termination of Subaward or other remedies under this Subaward as determined by County at its sole discretion.

**8.2 ASSIGNMENT AND DELEGATION/MERGERS OR ACQUISITIONS.**

8.2.1 Subrecipient (that is, "Contractor") shall notify County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If Contractor is restricted from legally notifying County of pending acquisitions/mergers, then it should notify County of the actual acquisitions/mergers as soon as the law allows and provide to County the legal framework that restricted it from notifying County prior to the actual acquisitions/mergers.

8.2.2 Contractor shall not assign its rights, delegate its duties under this Subaward (that is, "Contract"), or both, whether in whole or in part, without the prior written consent of County, in its sole discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Subparagraph 8.2, County consent shall require a written Amendment to this Contract, which is formally approved and executed by the parties. Any payments by County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against

the claims, which Contractor may have against County.

8.2.3 Shareholders, partners, members, or other equity holders of Contractor may sell, transfer, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.2.4 Any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than Contractor, whether through assignment, Lower Tier Subaward (that is, "Subcontract"), delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

### **8.3 AUTHORIZATION WARRANTY**

8.3.1 Subrecipient represents and warrants that the person executing this Subaward for Subrecipient is an authorized agent who has actual authority to bind Subrecipient to each and every term, condition, and obligation of this Subaward and that all requirements of Subrecipient have been fulfilled to provide such actual authority ("Authorized Representative").

8.3.2 Authorized Representative must be available to County and/or County's duly authorized representatives during the days and times specified in Exhibit A (Statement of Work). In the event that Authorized Representative is not available during these specified days and times, he/she shall ensure that an appropriate designee is identified in writing to County's Contract Manager. Such designee shall have the ability and authority to act as a proxy on behalf of Authorized Representative, and this authority must also be evidenced in writing by Authorized Representative. Authorized Representative shall further ensure that he/she can be contacted by his/her designee when Authorized Representative is not available during the days and times specified in Exhibit A (Statement of Work).

#### **8.3.3 Board of Directors' Resolution**

8.3.3.1 Subrecipient shall submit its Board of Directors' resolution, which provides written evidence to support the delegated authority that Subrecipient's organization has vested in Authorized Representative, who will act on behalf of Subrecipient pursuant to Subparagraph 8.3 (Authorization Warranty). Such written evidence shall adhere to the following requirements outlined



in this Subparagraph 8.3.3.

8.3.3.2 If Subrecipient is a public entity (defined as the government of the United States; the government of a State or political subdivision of a State; or any interstate governmental agency), Subrecipient shall submit to County a copy of its resolution, order, or motion which has been approved by its Governing Body (e.g., City Council) and signed by the presiding chairperson/president of the Governing Body. If Subrecipient is a private non-profit entity, Subrecipient shall submit a copy of written authorization from its Governing Body (e.g., Board of Directors) and signed by the presiding chairperson/president to County.

8.3.3.3 Subrecipient's resolution, order, motion, or other authorization shall contain the following elements: reference to this Subaward by name and number; authorize execution of this Subaward; identify Authorized Representative and any designee who will execute the original Subaward and any subsequent amendments to this Subaward (Authorized Representative and any designee shall be specified in Exhibit F (Subrecipient's Administration)); and, approve and accept Subaward Sums. In the event that there is a change in Authorized Representative, Subrecipient shall provide County a revised resolution, order, motion, or other authorization which reflects the new Authorized Representative within five (5) days of being approved by the Governing Body.

#### **8.4 BUDGET REDUCTIONS**

8.4.1 In the event that County's Board of Supervisors adopts, in any Fiscal Year or Program Year, a County budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, County reserves the right to reduce its payment obligation under this Subaward correspondingly for that Fiscal Year or Program Year and any subsequent Fiscal Year or Program Year during the term of this Subaward (including any extensions), and the Services to be provided by Subrecipient under this Subaward shall also be reduced correspondingly. County's notice to Subrecipient regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, Subrecipient shall continue to provide all of the Services set forth in this Subaward.

#### **8.5 COMPLAINTS**

8.5.1 Subrecipient shall develop, maintain and utilize procedures for receiving, investigating and responding to complaints. Within fifteen (15) business days after the Subaward effective date, Subrecipient shall provide County's Program Manager with Subrecipient's policy for receiving, investigating and responding to Client complaints.



- 8.5.2 County will review Subrecipient's policy and provide Subrecipient with approval of said plan or with requested changes.
- 8.5.3 If County requests changes in Subrecipient's policy, Subrecipient shall make such changes and resubmit the plan within five (5) business days for County approval.
- 8.5.4 If, at any time, Subrecipient wishes to change Subrecipient's policy, Subrecipient shall submit proposed changes to County's Program Manager for approval before implementation.
- 8.5.5 Subrecipient shall preliminarily investigate all complaints and notify County's Program Manager of the status of the investigation within ten (10) business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7 Copies of all written responses shall be sent to County's Program Manager within five (5) business days of mailing to the complainant.
- 8.5.8 Subrecipient shall provide Client an opportunity to anonymously submit a grievance directly to County's Compliance Manager. Subrecipient shall ensure that the contact information of County's Compliance Manager is posted in a publicly accessible area and also provided to Client in writing.
- 8.5.9 Subrecipient shall provide County an opportunity to consider any grievance whether it is anonymously submitted to County by Client or if it's a grievance that cannot be resolved by Subrecipient. At County's sole discretion, County's written decision regarding the grievance shall be final and irrevocable.
- 8.5.10 At a minimum, Subrecipient shall incorporate the procedures and provisions of this Subparagraph 8.5 in its written grievance policies.

## **8.6 COMPLIANCE WITH APPLICABLE LAWS**

- 8.6.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that in the performance of this Subaward, Subrecipient shall comply with all applicable Federal, State, County and local laws, rules, regulations, ordinances, directives, guidelines, policies, Program memoranda and procedures. Subrecipient shall also comply with all subsequent revisions, modifications, and administrative and statutory changes made thereto by Federal, State and County authorities. All provisions required thereby to be included in this Subaward are hereby incorporated herein by reference.
- 8.6.2 Subrecipient shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and

expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Subrecipient, its officers, employees, agents, or Lower Tier Subrecipients, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, Program memoranda or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Subrecipient's indemnification obligations under this Subparagraph 8.6 shall be conducted by Subrecipient and performed by counsel selected by Subrecipient and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Subrecipient fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Subrecipient for all such costs and expenses incurred by County in doing so. Subrecipient shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.6.3 Intentionally Omitted

8.6.4 Subrecipient certifies that throughout the entirety of this Subaward it shall comply with all Federal and State payroll tax rules and employer tax guides; Subrecipient shall pay all Federal and State payroll taxes; and, Subrecipient shall make all tax deposits required by Federal and State laws within the time limits required.

8.6.5 Subrecipient's failure to comply with such regulations, rules, ordinances, court rules, municipal laws, directives, policies, Program memoranda and procedures outlined in this Subparagraph 8.6 and/or the provisions, requirements or conditions of this Subaward, including but not limited to, performance documentation, reporting, audit and evaluation requirements shall be material breach of this Subaward and may result in termination of this Subaward or other remedies available herein.

## **8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

8.7.1 Subrecipient hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964 (as amended) [Title 42 United States Code Sections 2000e (1) - 2000e (17), Title 42 United States Code Section 2000d and Title 45 Code of Federal Regulations Part 80] and the Americans with Disabilities Act (ADA) of 1990, to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Subaward or under any project, program, or activity supported by this Subaward. Subrecipient shall comply with Exhibit D (Subrecipient's Equal Employment Opportunity Certification). Prior to the commencement of this Subaward, Subrecipient shall submit the completed Exhibit D to County's Contract Manager in

the time and manner as designated by County.

- 8.7.2 Notwithstanding any other provision of law and pursuant to the requirements outlined in California Public Contract Code Section 10295.3, when the Maximum Subaward Sum is one hundred thousand dollars (\$100,000) or more, Subrecipient shall not discriminate in the provision of benefits between employees with spouses and employees with domestic partners, or discriminate between employees with spouses or domestic partners of a different sex and employees with spouses or domestic partners of the same sex, or discriminate between same-sex and different-sex domestic partners of employees or between same sex and different-sex spouses of employees. For purposes of this Subparagraph 8.7.2, "subaward" includes subawards and contracts awarded by County to Subrecipient with a cumulative amount of one hundred thousand dollars (\$100,000) or more for the Fiscal Year or Program Year (where the subaward or contract funds originate from the State).

## **8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

### **8.8.1 Jury Service Program**

- 8.8.1.1 This Subaward (that is, "Contract") is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Los Angeles County Code Sections 2.203.010 through 2.203.090, a copy of which is attached as Exhibit H (Jury Service Ordinance) and incorporated by reference into and made a part of this Contract.

### **8.8.2 Written Employee Jury Service Policy**

- 8.8.2.1 Unless Subrecipient (that is, "Contractor") has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Los Angeles County Code Section 2.203.020) or that Contractor qualifies for an exception to the Jury Service Program (Los Angeles County Code Section 2.203.070), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.
- 8.8.2.2 For purposes of this Subparagraph 8.8, "Contractor" means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one (1) or more County contracts or subcontracts. "Employee" means any California resident who is a full-time

employee of Contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any Lower Tier Subrecipient (that is, "Subcontractor") to perform Services for County under this Contract, the Subcontractor shall also be subject to the provisions of this Subparagraph 8.8. The provisions of this Subparagraph 8.8, shall be inserted into any such Lower Tier Subaward (that is, "Subcontract") agreement and a copy of the Jury Service Program shall be attached to the agreement.

8.8.2.3 If Contractor is not required to comply with the Jury Service Program when this Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County's Contract Manager if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during this Contract and at its sole discretion, that Contractor demonstrate, to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program.

8.8.2.4 Contractor's violation of this Subparagraph 8.8 of this Contract may constitute a material breach of this Contract. In the event of such material breach, County may, in its sole discretion, terminate this Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 CONFLICT OF INTEREST**

8.9.1 No County employee whose position with County enables such employee to influence the granting of this Subaward or any competing contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by Subrecipient or have any other direct or indirect financial interest in this Subaward. No officer or employee of Subrecipient who may financially benefit from the performance of Work hereunder shall in any way participate in County's approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully



influence County's approval or ongoing evaluation of such Work.

- 8.9.2 Subrecipient shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Subaward. Subrecipient warrants that it is not now aware of any facts that create a conflict of interest. If Subrecipient hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County's Compliance Manager. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Subparagraph 8.9 shall be a material breach of this Subaward.

**8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ON RE-EMPLOYMENT LIST**

- 8.10.1 Should Subrecipient (that is, "Contractor") require additional or replacement personnel after the effective date of this Subaward (that is, "Contract") to perform the Services set forth herein, Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff or to qualified former County employees who are on a re-employment list during the life of this Contract.

**8.11 CONSIDERATION OF HIRING GAIN AND GROW PARTICIPANTS**

- 8.11.1 Should Subrecipient (that is, "Contractor") require additional or replacement personnel after the effective date of this Subaward (that is, "Contract"), Contractor shall give consideration for any such employment openings to participants in County of Los Angeles Department of Public Social Services (DPSS) Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to Contractor. Contractor shall report all job openings with job requirements to: [GAINGROW@dpss.lacounty.gov](mailto:GAINGROW@dpss.lacounty.gov) and [BSERVICES@wdacs.lacounty.gov](mailto:BSERVICES@wdacs.lacounty.gov) and DPSS will refer qualified GAIN/GROW job candidates.

- 8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

**8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

**8.12.1 Responsible Contractor**

- 8.12.1.1 A responsible Subrecipient (that is, "Contractor") is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform this Subaward (that is, "Contract"). It is County's policy to conduct business only with responsible contractors.

**8.12.2 Los Angeles County Code Chapter 2.202**



8.12.2.1 Subrecipient (that is, "Contractor") is hereby notified that, in accordance with Los Angeles County Code Chapter 2.202, if County acquires information concerning the performance of Contractor on this Subaward (that is, "Contract") or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in this Contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts which Contractor may have with County.

8.12.3 **Non-responsible Contractor**

8.12.3.1 County may debar Subrecipient (that is, "Contractor") if the Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a non-profit corporation created by County, (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a non-profit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

8.12.4 **Contractor Hearing Board**

8.12.4.1 If there is evidence that Subrecipient (that is, "Contractor") may be subject to debarment, County will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

8.12.4.3 After consideration of any objections, or if no

objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.4.4 If Contractor has been debarred for a period longer than five (5) years, Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where: (1) Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

8.12.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

#### **8.12.5 Subcontractors of Contractor**

8.12.5.1 These terms shall also apply to Lower Tier Subrecipients (that is, "Subcontractors") of County contractors.

8.12.6 Contractor hereby acknowledges that County is prohibited from contracting with parties that are suspended, debarred, ineligible or excluded from securing State-funded or Federally-funded contracts. By executing this Contract, Contractor certifies that neither it nor any of its owners, officers, partners, directors, or other principals is currently suspended, debarred, ineligible or excluded from securing State-funded or Federally-funded contracts. Further by executing this Contract, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractor is currently suspended, debarred, ineligible or excluded from securing State-funded or Federally-funded contracts. During the term of this Contract, Contractor shall immediately notify County's Compliance Manager in writing should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible or excluded from securing State-funded or Federally-funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Contract upon which County may immediately terminate or suspend this Contract.

**8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

8.13.1 Subrecipient (that is, "Contractor") acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "Safely Surrendered Baby Law" poster, in Exhibit I, in a prominent position at Contractor's place of business. Contractor will also encourage its Lower Tier Subrecipients (that is, "Subcontractors"), if any, to post this poster in a prominent position in the Subcontractor's place of business. Information and posters for printing are available at [www.babysafela.org](http://www.babysafela.org).

**8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

8.14.1 Subrecipient (that is, "Contractor") acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County of Los Angeles and its taxpayers.

8.14.2 As required by County's Child Support Compliance Program (Los Angeles County Code Chapter 2.200) and without limiting Contractor's duty under this Subaward (that is, "Contract") to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Social Security Act (Title 42 United States Code Section 653(a)) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to the California Code of Civil Procedure Section

**8.15 COUNTY'S QUALITY ASSURANCE PLAN**

- 8.15.1 County or its agent will monitor Subrecipient's (that is, "Contractor's") performance under this Subaward (that is, "Contract") on not less than an annual basis. Such monitoring will include assessing Contractor's compliance with all Contract terms and conditions and performance standards, in addition to the regulations outlined in Subparagraph 8.38.3 (Monitoring Reviews). Contractor deficiencies which County determines are significant or continuing and that may place performance of this Contract in jeopardy if not corrected will be reported to the Board of Supervisors and listed in the appropriate Contractor performance database. The report to the Board will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

**8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

- 8.16.1 Subrecipient shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings or grounds caused by Subrecipient or employees or agents of Subrecipient. Such repairs shall be made immediately after Subrecipient has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.16.2 If Subrecipient fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Subrecipient by cash payment upon demand.

**8.17 EMPLOYMENT ELIGIBILITY VERIFICATION**

- 8.17.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that Subrecipient warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all of its employees performing Work under this Subaward meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Subrecipient shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (Public Law 99-603) as they currently exist and as they may be hereafter amended. Subrecipient shall retain all such documentation for all covered employees for the period prescribed by law.
- 8.17.2 Subrecipient shall indemnify, defend, and hold harmless, County, its agents, officers and employees from employer sanctions and any other liability which may be assessed against Subrecipient or County or both in connection with any alleged violation of any



Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing Work under this Subaward.

**8.18 FACSIMILE REPRESENTATIONS**

8.18.1 County and Subrecipient hereby agree to regard facsimile representations of original signatures (i.e., electronic signatures) of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Subparagraph 8.1 (Amendments) and received via electronic communications media, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Subaward, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmissions of "original" versions of such documents.

**8.19 FAIR LABOR STANDARDS**

8.19.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that Subrecipient shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless County and its agents, officers and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for Work performed by Subrecipient's employees for which County may be found jointly or solely liable.

**8.20 FORCE MAJEURE**

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Subaward, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's lower tier subrecipients), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this Subparagraph 8.20 as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a Lower Tier Subrecipient of Subrecipient shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Subrecipient and such Lower Tier Subrecipient, and without any fault or negligence of either of them. In such case, Subrecipient shall not be liable for failure to perform, unless the goods or Services to be furnished by the Lower Tier Subrecipient were obtainable from other sources in sufficient time to permit Subrecipient to meet the required performance schedule. As used in this Subparagraph 8.20, the term "Lower Tier Subrecipient" and "Lower Tier Subrecipients" mean Lower Tier Subrecipients at any tier.



- 8.20.3 In the event Subrecipient's failure to perform arises out of a force majeure event, Subrecipient agrees to use commercially reasonable best efforts to obtain goods or Services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

**8.21 GOVERNING LAW, JURISDICTION, AND VENUE**

- 8.21.1 This Subaward shall be governed by, and construed in accordance with, the laws of the State of California. Subrecipient agrees and consents to the exclusive jurisdiction, including personal jurisdiction, of the courts of the State of California for all purposes regarding this Subaward, and further agrees and consents that venue of any action brought hereunder shall be exclusively in County of Los Angeles.

**8.22 INDEPENDENT CONTRACTOR STATUS**

- 8.22.1 This Subaward is by and between County and Subrecipient and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Subrecipient. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.22.2 Subrecipient shall be solely liable and responsible for providing to, or on behalf of, all persons performing Work pursuant to this Subaward all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Subrecipient.
- 8.22.3 Subrecipient understands and agrees that all persons performing Work pursuant to this Subaward are, for purposes of Workers' Compensation liability, solely employees of Subrecipient and not employees of County. Subrecipient shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Subrecipient pursuant to this Subaward.
- 8.22.4 Subrecipient shall adhere to the provisions stated in Subparagraph 7.6 (Confidentiality).

**8.23 INDEMNIFICATION**

- 8.23.1 Subrecipient shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Subaward, except for such loss or damage arising from the sole negligence or willful misconduct of County Indemnitees.

**8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE**

- 8.24.1 Without limiting Subrecipient's indemnification of County, and in the performance of this Subaward and until all of its obligations

pursuant to this Subaward have been met, Subrecipient shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Subparagraph 8.24 and Subparagraph 8.25 (Insurance Coverage) of this Subaward. These minimum insurance coverage terms, types and limits ("Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Subrecipient pursuant to this Subaward. County in no way warrants that the Required Insurance is sufficient to protect Subrecipient for liabilities which may arise from or relate to this Subaward.

**8.24.2 Evidence of Coverage and Notice to County**

8.24.2.1 Certificate(s) of insurance coverage ("Certificate") satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) have been given Insured status under Subrecipient's General Liability policy, shall be delivered to County's Contract Manager at the address shown below and provided prior to commencing Services under this Subaward.

8.24.2.2 Renewal Certificates shall be provided to County's Contract Manager not less than ten (10) days prior to Subrecipient's policy expiration dates. County reserves the right to obtain complete, certified copies of any required Subrecipient and/or Lower Tier Subrecipient insurance policies at any time.

8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Subaward by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of Subrecipient identified as the contracting party in this Subaward. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.

8.24.2.4 Neither County's failure to obtain, nor County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by Subrecipient, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

8.24.2.5 Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
Workforce Development, Aging and Community

Services  
Contracts Management Division  
Attention: County's Contract Manager  
3175 West Sixth Street  
Los Angeles, CA 90020

- 8.24.2.6 Subrecipient also shall promptly report to County's Program Manager any injury or property damage accident or incident, including any injury to a Subrecipient employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Subrecipient. Subrecipient also shall promptly notify County's Program Manager of any third-party claim or suit filed against Subrecipient or any of its Lower Tier Subrecipients which arises from or relates to this Subaward, and could result in the filing of a claim or lawsuit against Subrecipient and/or County.

**8.24.3 Additional Insured Status and Scope of Coverage**

- 8.24.3.1 County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, employees and volunteers (collectively County and its Agents) shall be provided additional insured status under Subrecipient's General Liability policy with respect to liability arising out of Subrecipient's ongoing and completed operations performed on behalf of County. County and its Agents' additional insured status shall apply with respect to liability and defense of suits arising out of Subrecipient's acts or omissions, whether such liability is attributable to Subrecipient or to County. The full policy limits and scope of protection also shall apply to County and its Agents as an additional insured, even if they exceed County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

**8.24.4 Cancellation of or Change(s) in Insurance**

- 8.24.4.1 Subrecipient shall provide County with, or Subrecipient's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County's Contract Manager at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of this Subaward, in the sole discretion of County, upon which County

may suspend or terminate this Subaward.

**8.24.5 Failure to Maintain Insurance**

8.24.5.1 Subrecipient's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of this Subaward, upon which County immediately may withhold payments due to Subrecipient, and/or suspend or terminate this Subaward. County, at its sole discretion, may obtain damages from Subrecipient resulting from said breach. Alternatively, County may purchase the Required Insurance, and without further notice to Subrecipient, deduct the premium cost from sums due to Subrecipient or pursue Subrecipient reimbursement.

**8.24.6 Insurer Financial Ratings**

8.24.6.1 Coverage shall be placed with insurers acceptable to County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

**8.24.7 Subrecipient's Insurance Shall Be Primary**

8.24.7.1 Subrecipient's insurance policies, with respect to any claims related to this Subaward, shall be primary with respect to all other sources of coverage available to Subrecipient. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Subrecipient coverage.

**8.24.8 Waivers of Subrogation**

8.24.8.1 To the fullest extent permitted by law, Subrecipient hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Subaward. Subrecipient shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

**8.24.9 Lower Tier Subrecipient Insurance Coverage Requirements**

8.24.9.1 Subrecipient shall include all Lower Tier Subrecipients as insureds under Subrecipient's own policies, or shall provide County with each Lower Tier Subrecipient's separate evidence of insurance coverage. Subrecipient shall be responsible for verifying that each Lower Tier Subrecipient complies with the Required Insurance provisions herein, and shall require that each Lower Tier Subrecipient name County and Subrecipient as additional insureds on the Lower Tier Subrecipient's General Liability policy. Subrecipient shall obtain County's prior review and approval of any Lower Tier Subrecipient request for modification of the Required Insurance.

**8.24.10 Deductibles and Self-Insured Retentions (SIRs)**

8.24.10.1 Subrecipient's policies shall not obligate County to pay any portion of any Subrecipient deductible or SIR. County retains the right to require Subrecipient to reduce or eliminate policy deductibles and SIRs as respects County, or to provide a bond guaranteeing Subrecipient's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**8.24.11 Claims Made Coverage**

8.24.11.1 If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Subaward. Subrecipient understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Subaward expiration, termination or cancellation.

**8.24.12 Application of Excess Liability Coverage**

8.24.12.1 Subrecipient may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

**8.24.13 Separation of Insureds**

8.24.13.1 All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

**8.24.14 Alternative Risk Financing Programs**

8.24.14.1 County reserves the right to review, and then approve, Subrecipient use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. County and its Agents shall be designated as an Additional Covered Party under any approved program.

**8.24.15 County Review and Approval of Insurance Requirements**

8.24.15.1 County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

**8.25 INSURANCE COVERAGE**

**8.25.1 Commercial General Liability**

8.25.1.1 Insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and



its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

**8.25.2 Automobile Liability**

- 8.25.2.1 Insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than one million dollars (\$1,000,000) for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Subrecipient's use of autos pursuant to this Subaward, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

**8.25.3 Workers Compensation and Employers' Liability**

- 8.25.3.1 Insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than one million dollars (\$1,000,000) per accident. If Subrecipient will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization ("PEO"), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Subrecipient's operations, coverage also shall be arranged to satisfy the requirements of any Federal workers or workmen's compensation law or any Federal occupational disease law.

**8.25.4 Crime Coverage**

- 8.25.4.1 A Fidelity Bond or Crime Insurance policy with limits of not less than fifty thousand dollars (\$50,000) per occurrence. Such coverage shall protect against all loss of money, securities, or other valuable property entrusted by County to Subrecipient, and apply to all of Subrecipient's directors, officers, agents and employees who regularly handle or have responsibility for such money, securities or property. County and its Agents shall be named as an Additional Insured and Loss Payee as its interests may appear. This insurance shall include third-party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and shall not contain a requirement for an arrest and/or conviction.

**8.25.5 Professional Liability, Errors and Omissions Coverage**

8.25.5.1 Insurance covering Subrecipient's liability arising from or related to this Subaward, with limits of not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate. Further, Subrecipient understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Subaward's expiration, termination or cancellation.

**8.25.6 Property Coverage**

8.25.6.1 Contractor who is given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30). County and its Agents shall be named as an Additional Insured and Loss Payee on Contractor's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

**8.25.7 Sexual Misconduct Liability**

8.25.7.1 Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than two million dollars (\$2,000,000) per claim and two million dollars (\$2,000,000) aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

**8.25.8 Privacy and Network Security Coverage**

8.25.8.1 Insurance coverage providing protection against liability for privacy breaches (liability arising from the loss or disclosure of confidential information no matter how it occurs); system(s) breaches; denial or loss of Service; introduction, implantation or spread of malicious software code; and, unauthorized access to or use of computer systems with limits of not less than seven hundred and fifty thousand dollars (\$750,000). No exclusion/restriction for unencrypted portable devices/media may be on the policy.

**8.25.9 Intentionally Omitted**

**8.26 LIQUIDATED DAMAGES**

8.26.1 If, in the judgment of County's Department Head, or his/her designee, Subrecipient is deemed to be non-compliant with the terms and obligations assumed hereby, County's Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire

monthly payment or deduct pro rata from Subrecipient's invoice for Work not performed. A description of the Work not performed and the amount to be withheld or deducted from payments to Subrecipient from County, will be forwarded to Subrecipient by County's Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.26.2 If County's Department Head or his/her designee determines that there are deficiencies in the performance of this Subaward that County's Department Head or his/her designee deems are correctable by Subrecipient over a certain time span, County's Department Head or his/her designee will provide a written notice to Subrecipient to correct the deficiency within specified time frames. Should Subrecipient fail to correct deficiencies within said time frame, County's Department Head or his/her designee may take any of the actions identified in Subparagraph 8.26.3.

8.26.3 **Remedies for Non-Performance of Subaward**

8.26.3.1 County may deduct from Subrecipient's payment, pro rata, those applicable portions of the monthly Subaward Sum at County's sole discretion.

8.26.3.2 County may deduct liquidated damages at County's sole discretion. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of Subrecipient to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages per day per infraction shall be one hundred dollars (\$100) or as specified in Exhibit A (Statement of Work), Exhibit 2 (Performance Requirements Summary Chart). Subrecipient shall be liable to County for liquidated damages in said amount and this amount shall be deducted from County's payment to Subrecipient; and/or.

8.26.3.3 Upon giving five (5) days' notice to Subrecipient for failure to correct the deficiencies, County may correct any and all deficiencies and the total costs incurred by County for completion of the Work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to Subrecipient from County, as determined by County.

8.26.4 The action noted in Subparagraph 8.26.3 shall not be construed as a penalty, but as adjustment of payment to Subrecipient to recover County cost due to the failure of Subrecipient to complete or comply with the provisions of this Subaward.

8.26.5 This Subparagraph 8.26 shall not, in any manner, restrict or limit County's right to damages for any breach of this Subaward provided by law or as specified in Exhibit A (Statement of Work), Exhibit 2 (Performance Requirements Summary Chart) or Subparagraph 8.26.3, and shall not, in any manner, restrict or limit County's right to terminate this Subaward as agreed to

herein. This Subparagraph 8.26 may be assessed as an option. It does not preclude utilizing Exhibit A (Statement of Work), Exhibit 2 (Performance Requirements Summary Chart) or assessing actual costs of the damage.

**8.27 MOST FAVORED PUBLIC ENTITY**

- 8.27.1 If Subrecipient's prices decline, or should Subrecipient at any time during the term of this Subaward provide the same goods or Services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Subaward, then such lower prices shall be immediately extended to County.

**8.28 NON-DISCRIMINATION AND AFFIRMATIVE ACTION**

- 8.28.1 County and Subrecipient (that is, "Contractor") acknowledge that this Subaward (that is, "Contract") is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Contract). Notwithstanding this acknowledgement, County and Contractor agree that the Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.28.2 Contractor shall certify to, and comply with, the provisions of Exhibit D (Subrecipient's Equal Employment Opportunity Certification).
- 8.28.3 Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4 Contractor certifies and agrees that it will deal with its Lower Tier Subrecipients (that is, "Subcontractors"), bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5 Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.



8.28.6 Contractor shall allow County representatives access to Contractor's employment records during County's business hours to verify compliance with the provisions of this Subparagraph 8.28 when so requested by County.

8.28.7 If County finds that any provisions of this Subparagraph 8.28 have been violated, such violation shall constitute a material breach of this Contract upon which County may terminate or suspend this Contract. While County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Contract, County shall, at its sole option, be entitled to the sum of five hundred dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

**8.29 NON-EXCLUSIVITY**

8.29.1 Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Subrecipient. This Subaward shall not restrict County from acquiring similar, equal or like goods and/or Services from other entities or sources.

**8.30 NOTICE OF DELAYS**

8.30.1 Except as otherwise provided under this Subaward, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Subaward, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

**8.31 NOTICE OF DISPUTES**

8.31.1 Subrecipient shall bring to the attention of County's Program Manager and/or County's Contract Manager any dispute between County and Subrecipient regarding the performance of Services as stated in this Subaward. If County's Program Manager or County's Contract Manager is not able to resolve the dispute, County's Department Head or his/her designee shall resolve it.

**8.32 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

8.32.1 Subrecipient shall notify its employees, and shall require each Lower Tier Subrecipient to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service (IRS) Notice 1015. Subrecipient shall obtain the most current version of IRS Notice 1015 on-line at the IRS website:



**8.33 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

- 8.33.1 Subrecipient (that is, "Contractor") shall notify and provide to its employees, and shall require each Lower Tier Subrecipient (that is, "Subcontractor") to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit I (Safely Surrendered Baby Law) of this Subaward (that is, "Contract"). Additional information is available at [www.babysafela.org](http://www.babysafela.org).

**8.34 NOTICES**

- 8.34.1 All notices or demands required or permitted to be given or made under this Subaward shall be in writing and shall be hand-delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibit E (County's Administration) and Exhibit F (Subrecipient's Administration). Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. County's Contract Manager or his/her designee shall have the authority to issue all notices or demands required or permitted by County under this Subaward.

**8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

- 8.35.1 Notwithstanding the above, Subrecipient and County agree that, during the term of this Subaward and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

**8.36 PUBLIC RECORDS ACT**

- 8.36.1 Any documents submitted by Subrecipient, all information obtained in connection with County's right to audit and inspect Subrecipient's documents, books, and accounting records pursuant to Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement), as well as those documents which were required to be submitted in response to the solicitation used to procure this Subaward, become the exclusive property of County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (California Public Records Act) and which are marked "trade secret", "confidential" or "proprietary". County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.
- 8.36.2 In the event County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential" or "proprietary",

Subrecipient agrees to defend and indemnify County from all costs and expenses, including reasonable attorney's fees, in an action or liability arising under the California Public Records Act.

**8.37 PUBLICITY**

8.37.1 Subrecipient shall not disclose any details in connection with this Subaward to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing Subrecipient's need to identify its Services and related Clients to sustain itself, County shall not inhibit Subrecipient from publishing its role under this Subaward within the following conditions:

8.37.1.1 Subrecipient shall develop all publicity material in a professional manner; and

8.37.1.2 During the term of this Subaward, Subrecipient shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of County's Contract Manager. County shall not unreasonably withhold written consent.

8.37.2 Without the prior written consent of County, Subrecipient may indicate in its proposals and sales materials that it has been granted this Subaward with County of Los Angeles, provided that the requirements of this Subparagraph 8.37 shall apply.

8.37.3 Subrecipient shall not use or display the official seal of County of Los Angeles or the logo of Workforce Development, Aging and Community Services on any of its letterhead or other communications with any debtor, or for any other reason, unless each form of usage has prior written approval of the Los Angeles County Board of Supervisors.

**8.38 RECORD RETENTION, INSPECTION AND AUDIT SETTLEMENT**

**8.38.1 Record Retention Requirements**

8.38.1.1 Subrecipient shall maintain accurate and complete financial records (such as bank statements, cancelled checks or other proof of payment) of its activities and operations relating to this Subaward in accordance with Generally Accepted Accounting Principles. Subrecipient shall also maintain all materials, including, but not limited to, complete employment records (such as timecards, sign-in/sign-out sheets and other time and employment records), supporting Program documents and proprietary data and information relating to its performance of this Subaward. Subrecipient shall further maintain on file the entirety of this Subaward, its amendments and/or addendums, modifications and all applicable laws, regulations, directives, Program memoranda and guidance which are hereby incorporated by reference. Subrecipient shall ensure that the security and integrity of all records are

maintained throughout the entire term of this Subaward and during the authorized retention period as outlined below.

8.38.1.2 Subrecipient shall adhere to the requirements of the authorized retention period, which shall be the greater of the following: throughout the entire term of this Subaward and until an audit of this Subaward by County and/or its duly authorized representative(s) has occurred and a written audit resolution has been issued or unless otherwise authorized in writing by County; or, for such longer period, if any, as required by applicable statute, by any other provision of this Subaward, by Subparagraphs 8.38.2.2 and 8.38.2.3 or as County deems necessary (which shall be communicated to Subrecipient in writing).

8.38.1.3 All such material shall be maintained by Subrecipient at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at County's option, Subrecipient shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.38.1.4 After the authorized retention period has expired, Subrecipient shall dispose of, shred or destroy all confidential records in a manner that will maintain confidentiality. Subrecipient shall obtain a certificate of destruction to substantiate that all confidential records have been securely destroyed. Subrecipient shall notify County's Contract Manager in writing within thirty (30) days after such records are destroyed. The certificate of destruction shall be provided to County's Contract Manager upon County's request.

## **8.38.2 Access to Records**

8.38.2.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that Subrecipient agrees that County and any of its duly authorized representatives (which may include State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives), shall have both access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Subaward, any books, documents, papers and records of Subrecipient that are directly pertinent to this Subaward (as

determined by County and its duly authorized representatives). The rights of access which are outlined in this Subaward shall not be limited to the authorized retention period but shall last as long as the records are retained.

8.38.2.2 If this Subaward (or any part thereof) is terminated, Subrecipient shall preserve and make all records, relating to the Work terminated, available during the authorized retention period of this Subaward. Subrecipient shall ensure that any resource directories and all Client records remain the property of County upon termination of this Subaward, and that they are returned to County or transferred to another subrecipient as instructed by County in writing.

8.38.2.3 In the event of any litigation, claim, negotiation, audit exception or other action involving the records, Subrecipient shall maintain all records relative to such action and shall make them available to County and/or its duly authorized representatives until every action has been cleared to the satisfaction of County and/or its duly authorized representatives, and such clearance must be evidenced to Subrecipient in writing.

8.38.2.4 County reserves the right to take physical custody of Subrecipient's records when any of the following situations occur: in the event that a potential litigation may be levied against Subrecipient for its Work performed under this Subaward; when County determines that Subrecipient is at a high risk of ceasing its operations during any time within the Subaward term or prior to the end of the retention period; when County determines that the records have long-term value; and/or, in the event that County and Subrecipient terminate the contractual relationship. For purposes of this Subaward, high risk is determined by County using criteria which includes but is not limited to the following: history of unsatisfactory contractual performance; financial instability or insolvency; documented evidence of an inadequate management system and lack of internal controls; non-conformance to the terms and conditions of previous awards; non-responsible; and/or history of disallowed costs.

### 8.38.3 **Monitoring Reviews**

8.38.3.1 Subrecipient shall provide the Services herein under the general supervision of County's Department Head and his/her authorized administrators who are designated in Paragraph 6.0 (Administration of Subaward-County). County shall supervise, monitor and specify the kind, quality, appropriateness, timeliness and amount of the

Services to be provided by Subrecipient as well as the criteria for determining the persons to be served (Clients). Subrecipient shall extend to County and to representatives authorized by County (including, but not limited to, State representatives) the right to observe, review and monitor Subrecipient's facilities, programs, records, procedures, performance, activities, or documents, which are used under this Subaward. Subrecipient shall provide County (or other designated authorities) the right to conduct such reviews at any time during County's business hours. County (or other designated authorities) shall not unreasonably interfere with Subrecipient's performance. The requirements of this Subparagraph 8.38 shall also apply to Lower Tier Subrecipients providing Services on behalf of Subrecipient.

8.38.3.2 County will monitor Subrecipient's Services provided under this Subaward on a regular basis and County may conduct unannounced site visits to ensure Subrecipient's compliance with this Subaward. County will summarize the results of the monitoring efforts in written reports, which shall be supported with documented evidence of follow-up actions taken to correct areas of non-compliance. Monitoring activities may include, but are not limited to interviewing Subrecipient employees and, when applicable, Clients; entering any premises or any site in which any of the Services or activities funded are being conducted or in which any records of Subrecipient are kept; etc. All information will be maintained in a confidential manner in accordance with any and all Federal, State and local laws.

8.38.3.3 Subrecipient shall be responsible for monitoring the activities of its Lower Tier Subrecipient(s) providing Services under this Subaward. Subrecipient shall conduct on-site fiscal and program monitoring reviews which shall be documented and maintained on file according to the record retention requirements provided in this Subparagraph 8.38. Subrecipient shall ensure that Lower Tier Subrecipient(s) adheres to all requirements for correcting areas of non-compliance, and implements the corrective action plan which has been approved by Subrecipient.

**8.38.4 Independent Audit Requirements**

8.38.4.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that the requirements for expenditures made by Subrecipient in the operation of this Subaward shall be in compliance and in conformity with Title 2 Code of Federal Regulations Part 200.500 et seq.



To this end, when Subrecipient expends Subaward Sums totalling seven hundred fifty thousand dollars (\$750,000) or more in a year, Subrecipient shall obtain an annual Program-specific audit. Such audit shall be conducted by an independent auditor in accordance with the requirements outlined in Title 2 Code of Federal Regulations Part 200.500 et seq. (and any amendments or supplements thereto). Subrecipient shall submit an audit engagement letter as confirmation of the audit to be conducted by the independent auditor and such letter shall be submitted to County's Compliance Manager in the time and manner as directed by County. Upon auditor's completion of the Program-specific audit, Subrecipient shall obtain both the data collection form and the reporting package (i.e., auditor's report), as described in Title 2 Code of Federal Regulations Part 200.500 et seq., from the auditor for each audit period (i.e., each Fiscal Year or Program Year). Subrecipient shall submit a copy of the auditor's report to County's Compliance Manager within thirty (30) days after receipt of auditor's report but no later than nine (9) months following the end of the audit period.

8.38.4.2 When the requirements provided above for obtaining an annual audit do not apply to Subrecipient for any Fiscal Year (or Program Year), Subrecipient shall make its records available for review or audit by County and any of its duly authorized representatives (which may include State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives). Such review or audit may include but is not limited to financial audits, performance audits, evaluations, inspections, monitoring, etc. as determined by County and/or by any other oversight agency that is responsible for overseeing Subaward Sums, the Program and Services. Subrecipient shall comply with the review and audit requirements which shall be identified in writing by County and/or its duly authorized representatives.

8.38.4.3 In the event that an audit of Subrecipient is conducted specifically regarding this Subaward by any State auditor or by any auditor or accountant employed by Subrecipient or otherwise, then Subrecipient shall file a copy of such audit report with County's Compliance Manager within thirty (30) days of Subrecipient's receipt thereof, unless otherwise provided by applicable State law, Program regulation or under this Subaward. Subject to applicable law, County shall make a reasonable effort to maintain the confidentiality of

such audit report(s).

- 8.38.4.4 If, at any time during the term of this Subaward or during the authorized retention period of this Subaward as noted in Subparagraph 8.38.1, representatives of County conduct an audit of Subrecipient regarding the Work performed under this Subaward, and if such audit finds that County's dollar liability for any such Work is less than payments made by County to Subrecipient, then the difference shall be either: a) repaid by Subrecipient to County by cash payment upon demand; or, b) at the sole option of County of Los Angeles Department of Auditor-Controller, deducted from any amounts due to Subrecipient from County, whether under this Subaward or otherwise. If such audit finds that County's dollar liability for such Work is more than the payments made by County to Subrecipient, then the difference shall be paid to Subrecipient by County by cash payment, provided that in no event shall County's maximum obligation for this Subaward exceed the funds appropriated by County for the purpose of this Subaward.

**8.38.5 Failure to Comply With Requirements**

- 8.38.5.1 Failure on the part of Subrecipient to comply with any of the provisions of this Subparagraph 8.38 shall constitute a material breach of this Subaward upon which County may terminate or suspend this Subaward.

**8.39 RECYCLED BOND PAPER**

- 8.39.1 Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at Los Angeles County landfills, Subrecipient agrees to use recycled-content paper to the maximum extent possible on this Subaward.

**8.40 LOWER TIER SUBAWARD**

- 8.40.1 Subrecipient shall not delegate the requirements of this Subaward to a third-party ("Lower Tier Subrecipient") without the advance written approval of County. Any attempt by Subrecipient to enter into a Lower Tier Subaward for that purpose without the prior written consent of County shall be deemed a material breach of this Subaward. Subrecipient shall provide a draft copy of the proposed Lower Tier Subaward to County's Contract Manager, and shall allow County up to sixty (60) days to complete its review process. As such, Subrecipient shall ensure that it provides the Lower Tier Subaward to County well in advance of its intended date to execute the Lower Tier Subaward (i.e., in order for Subrecipient to meet its target date for executing the Lower Tier Subaward, Subrecipient shall factor up to sixty (60) days into its timeline to account for County's review process).
- 8.40.2 If Subrecipient desires to enter into a Lower Tier Subaward for the purpose of delegating any of the requirements of this

Subaward, Subrecipient shall complete Exhibit Y (List of Lower Tier Subawards) and at County's request shall promptly provide the following information either on or along with Exhibit Y (List of Lower Tier Subawards):

- 8.40.2.1 Lower Tier Subrecipient's name and contact information; a description of the Work to be performed by Lower Tier Subrecipient; Lower Tier Subaward number; and Lower Tier Subaward amount.
- 8.40.2.2 A draft copy of the proposed Lower Tier Subaward.
- 8.40.2.3 Other pertinent information and/or certifications requested by County.
- 8.40.3 Subrecipient shall indemnify, defend, and hold County harmless with respect to the activities of each and every Lower Tier Subrecipient in the same manner and to the same degree as if such Lower Tier Subrecipient(s) was Subrecipient's employee.
- 8.40.4 Subrecipient shall remain fully responsible for all performances required of it under this Subaward, including those that Subrecipient has determined to grant through a Lower Tier Subaward, notwithstanding County's approval of Subrecipient's proposed Lower Tier Subaward.
- 8.40.5 County's consent to allow Subrecipient to enter into a Lower Tier Subaward with a third-party shall not waive County's right to prior and continuing approval of any and all personnel, including Lower Tier Subrecipient employees, providing Services under this Subaward. Subrecipient is responsible for notifying its Lower Tier Subrecipients of this County right.
- 8.40.6 County's Contract Manager is authorized to act for and on behalf of County with respect to approval of any Lower Tier Subaward and Lower Tier Subrecipient employees. After County's approval of the Lower Tier Subaward, Subrecipient shall forward a copy of the fully executed Lower Tier Subaward to County's Contract Manager within five (5) days of its execution.
- 8.40.7 Subrecipient shall be solely liable and responsible for all payments or other compensation to all Lower Tier Subrecipients and their officers, employees, agents, and successors in interest arising through Services performed hereunder, notwithstanding County's consent to allow Subrecipient to enter into such Lower Tier Subaward(s).
- 8.40.8 Subrecipient shall obtain current valid certificates of insurance, which establish that the Lower Tier Subrecipient maintains all the programs of insurance required by County. Such certificates of insurance shall indicate the Lower Tier Subaward number. Before any Lower Tier Subrecipient employee performs any Work hereunder, Subrecipient shall deliver all such certificate of insurance documents to County as follows:

County of Los Angeles

Workforce Development, Aging and Community Services  
Contracts Management Division  
Attention: County's Contract Manager  
3175 West Sixth Street  
Los Angeles, CA 90020

- 8.40.9 Amending a Lower Tier Subaward may be initiated by either Subrecipient or County. When an amendment is initiated by County, County shall outline the reason(s) for the amendment and Subrecipient shall comply with County's request. All Lower Tier Subaward amendments are subject to review and must be approved in writing by County before they are executed. Subrecipient shall provide a draft copy of the proposed amendment to County's Contract Manager, and shall allow County up to thirty (30) days to complete its review process. After County's approval of Subrecipient's amendment, Subrecipient shall forward a copy of the fully executed amendment to County's Contract Manager within five (5) days of its execution.
- 8.40.10 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that Subrecipient shall adhere to all applicable Federal, State and/or County requirements for the procurement of a Lower Tier Subrecipient(s) and/or vendor services using Subaward Sums.
- 8.40.11 In the event County approves Subrecipient's request to delegate any part of the requirements of this Subaward through a Lower Tier Subaward, all applicable provisions and requirements of this Subaward shall be made applicable to such Lower Tier Subaward. To this end, Subrecipient shall include the following provision in the Lower Tier Subaward: This agreement is a Lower Tier Subaward under the terms of a prime Subaward (identified as Subaward Number DRP192008) with County of Los Angeles Workforce Development, Aging and Community Services and shall be subject to all of the provisions of such prime Subaward. All representations and warranties under this Lower Tier Subaward shall inure to the benefit of County of Los Angeles.
- 8.40.12 Pursuant to the provisions of this Subaward, County has the right to review and consent (or not consent) to Subrecipient's use of Lower Tier Subrecipients that have been procured in compliance with State and/or federal guidelines applicable to the funding source(s) identified in Subparagraph 5.1.2 (Funding Allocations). County's approval of the proposed Lower Tier Subaward shall not be deemed as validation of the procurement method used by Subrecipient, and only reflects County's approval as to the form of the Lower Tier Subaward terms and conditions as well as the services being provided under such agreement.
- 8.40.13 When entering into a Lower Tier Subaward with a qualified organization, Subrecipient shall maintain documentation that supports/justifies the procurement method and evaluation process used by Subrecipient to select the qualified vendor for a



Lower Tier Subaward. County's continuing consent to a Lower Tier Subaward is contingent upon Subrecipient's assurance that the procurement process was compliant with the requirements noted herein as well as all other Subaward requirements, and that the Lower Tier Subrecipient continues to retain staff and infrastructure experienced with providing the necessary services.

- 8.40.14 This Subaward and any approved Lower Tier Subaward are subject to monitoring and/or review by County, State, and/or federal funding authorities. If Subrecipient executes a Lower Tier Subaward that is deemed non-compliant with the requirements of this Subaward or applicable federal, State, or County regulations, any costs incurred under that Lower Tier Subaward may be disallowed, resulting in Subrecipient's liability to County for the repayment of any charged costs and/or not being reimbursed for any of those incurred costs yet to be billed.

**8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

- 8.41.1 Failure of Subrecipient (that is, "Contractor") to maintain compliance with the requirements set forth in Subparagraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute default under this Subaward (that is, "Contract"). Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this Contract pursuant to Subparagraph 8.43 (Termination for Default) and pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.202.

**8.42 TERMINATION FOR CONVENIENCE**

- 8.42.1 County may terminate this Subaward, in whole or in part, from time to time or permanently, when such action is deemed by County, in its sole discretion, to be in its best interest. Termination of Work hereunder shall be effected by notice of termination to Subrecipient specifying the extent to which performance of Work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty (30) calendar days after the notice is sent.
- 8.42.2 Upon receipt of a notice of termination and except as otherwise directed by County, Subrecipient shall immediately:
- 8.42.2.1 Stop Work under this Subaward on the date and to the extent specified in such notice;
  - 8.42.2.2 Complete performance of such part of the Work as shall not have been terminated by such notice;
  - 8.42.2.3 Transfer title and deliver to County all completed Work and Work in progress.
- 8.42.3 All material including books, records, documents, or other



evidence bearing on the costs and expenses of Subrecipient under this Subaward shall be maintained by Subrecipient in accordance with Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement).

#### **8.43 TERMINATION FOR DEFAULT**

8.43.1 County may, by written notice to Subrecipient, terminate the whole or any part of this Subaward, if, in the judgment of County:

8.43.1.1 Subrecipient has materially breached this Subaward; or

8.43.1.2 Subrecipient fails to timely provide and/or satisfactorily perform any task, deliverable, Service, or other work required under this Subaward; or

8.43.1.3 Subrecipient fails to demonstrate a high probability of timely fulfillment of performance requirements under this Subaward, or of any obligations of this Subaward and in either case, fails to demonstrate convincing progress toward a cure within five (5) business days (or such longer period as County may authorize in writing) after receipt of written notice from County specifying such failure.

8.43.2 In the event that County terminates this Subaward in whole or in part as provided in Subparagraph 8.43.1, County may procure, upon such terms and in such manner as County may deem appropriate, goods and Services similar to those so terminated. Subrecipient shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and Services. Subrecipient shall continue the performance of this Subaward to the extent not terminated under the provisions of this Subparagraph 8.43.

8.43.3 Except with respect to defaults of any Lower Tier Subrecipient, Subrecipient shall not be liable for any such excess costs of the type identified in Subparagraph 8.43.2 if its failure to perform this Subaward arises out of causes beyond the control and without the fault or negligence of Subrecipient. Such causes may include, but are not limited to: acts of nature or of the public enemy, acts of County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of Subrecipient. If the failure to perform is caused by the default of a Lower Tier Subrecipient, and if such default arises out of causes beyond the control of both Subrecipient and Lower Tier Subrecipient, and without the fault or negligence of either of them, Subrecipient shall not be liable for any such excess costs for failure to perform, unless the goods or Services to be furnished by the Lower Tier Subrecipient were obtainable from other sources in sufficient time to permit Subrecipient to meet the required performance schedule. As used in this Subparagraph 8.43, the term "Lower Tier Subrecipient(s)" means Lower Tier Subrecipient(s) at any tier.

- 8.43.4 If, after County has given notice of termination under the provisions of this Subparagraph 8.43, it is determined by County that Subrecipient was not in default under the provisions of this Subparagraph 8.43, or that the default was excusable under the provisions of Subparagraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subparagraph 8.42 (Termination for Convenience).
- 8.43.5 The rights and remedies of County provided in this Subparagraph 8.43, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Subaward.

**8.44 TERMINATION FOR IMPROPER CONSIDERATION**

- 8.44.1 County may, by written notice to Subrecipient (that is, "Contractor"), immediately terminate the right of Contractor to proceed under this Subaward (that is, "Contract") if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to Contractor's performance pursuant to this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.
- 8.44.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to County of Los Angeles Department of Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

**8.45 TERMINATION FOR INSOLVENCY**

- 8.45.1 County may terminate this Subaward forthwith in the event of the occurrence of any of the following:
- 8.45.1.1 Insolvency of Subrecipient. Subrecipient shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Subrecipient is insolvent within the meaning of the Federal Bankruptcy Code;
- 8.45.1.2 The filing of a voluntary or involuntary petition regarding Subrecipient under the Federal Bankruptcy Code;

- 8.45.1.3 The appointment of a Receiver or Trustee for Subrecipient; or
- 8.45.1.4 The execution by Subrecipient of a general assignment for the benefit of creditors.
- 8.45.2 The rights and remedies of County provided in this Subparagraph 8.45 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Subaward.
- 8.46 TERMINATION FOR NON - ADHERENCE OF COUNTY LOBBYIST ORDINANCE**
- 8.46.1 Subrecipient (that is, "Contractor") and each County Lobbyist or County Lobbying firm, as defined in Los Angeles County Code Section 2.160.010, retained by Contractor shall fully comply with County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County Lobbyist or County Lobbying firm retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Subaward (that is, "Contract"), upon which County may in its sole discretion, immediately terminate or suspend this Contract.
- 8.47 TERMINATION FOR NON - APPROPRIATION OF FUNDS**
- 8.47.1 Notwithstanding any other provision of this Subaward, County shall not be obligated for Subrecipient's performance hereunder or by any provision of this Subaward during any of County's future Fiscal Years unless and until County's Board of Supervisors appropriates funds for this Subaward in County's Budget for each such future Fiscal Year. In the event that funds are not appropriated for this Subaward, then this Subaward shall terminate as of June 30 of the last Fiscal Year for which funds were appropriated. County shall notify Subrecipient in writing of any such non-allocation of funds at the earliest possible date.
- 8.48 VALIDITY**
- 8.48.1 If any provision of this Subaward or the application thereof to any person or circumstance is held invalid, the remainder of this Subaward and the application of such provision to other persons or circumstances shall not be affected thereby.
- 8.49 WAIVER**
- 8.49.1 No waiver by County of any breach of any provision of this Subaward shall constitute a waiver of any other breach or of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Subaward shall not be construed as a waiver thereof. The rights and remedies set forth in this Subparagraph 8.49, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Subaward.
- 8.50 WARRANTY AGAINST CONTINGENT FEES**
- 8.50.1 Subrecipient warrants that no person or selling agency has been employed or retained to solicit or secure this Subaward upon

any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Subrecipient for the purpose of securing business.

- 8.50.2 For breach of this warranty, County shall have the right to terminate this Subaward and, at its sole discretion, deduct from the Subaward Sum or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**8.51 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

- 8.51.1 Subrecipient acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers. Unless Subrecipient qualifies for an exemption or exclusion, Subrecipient warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Subaward will maintain compliance, with Los Angeles County Code Chapter 2.206. Prior to the commencement of this Subaward, Subrecipient shall complete Exhibit U (Certification of Compliance with County's Defaulted Property Tax Reduction Program) and submit it to County's Contract Manager in the time and manner as designated by County.

**8.52 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

- 8.52.1 Failure of Subrecipient to maintain compliance with the requirements set forth in Subparagraph 8.51 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program), shall constitute default under this Subaward. Without limiting the rights and remedies available to County under any other provision of this Subaward, failure of Subrecipient to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this Subaward and/or pursue debarment of Subrecipient, pursuant to Los Angeles County Code Chapter 2.206.

**8.53 TIME OFF FOR VOTING**

- 8.53.1 Subrecipient shall notify and provide its employees, and shall require each Lower Tier Subrecipient to notify and provide its employees, information regarding the time off for voting law pursuant to California Elections Code (EC) Section 14000. Not less than ten (10) days before every statewide election, Subrecipient and its Lower Tier Subrecipient(s) shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of EC 14000.

**8.54 COMPLIANCE WITH COUNTY'S ZERO TOLERANCE HUMAN TRAFFICKING POLICY**

- 8.54.1 Subrecipient (that is, "Contractor") acknowledges that County has established a Zero Tolerance Human Trafficking Policy which prohibits Contractor and member of Contractor's staff from engaging in human trafficking.
- 8.54.2 If Contractor or member of Contractor's staff is convicted of a human trafficking offense, County shall require that Contractor or member of Contractor's staff be removed immediately from performing Services under this Subaward (that is, "Contract"). County will not be under any obligation to disclose confidential information regarding the offense(s) other than those required by law.
- 8.54.3 Disqualification of Contractor or member of Contractor's staff pursuant to this Subparagraph 8.54 shall not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Contract.

**8.55 INTENTIONALLY OMITTED**

**8.56 COMPLIANCE WITH FAIR CHANCE EMPLOYMENT PRACTICES**

- 8.56.1 Subrecipient (that is, "Contractor") shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. Contractor's violation of this Subparagraph 8.56 may constitute a material breach of this Subaward (that is, "Contract"). In the event of such material breach, County may, in its sole discretion, terminate this Contract.

**8.57 COMPLIANCE WITH COUNTY POLICY OF EQUITY**

- 8.57.1 Subrecipient acknowledges that County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in County Policy of Equity ("CPOE") (<https://ceop.lacounty.gov/>). Subrecipient further acknowledges that County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. Subrecipient, its employees and Lower Tier Subrecipient(s) acknowledge and certify receipt and understanding of the CPOE. Failure of Subrecipient, its employees or its Lower Tier Subrecipient(s) to uphold County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject Subrecipient to termination of contractual agreements as well as civil liability.

**9.0 UNIQUE TERMS AND CONDITIONS**

**9.1 ALLEGATIONS OF FRAUD AND/OR ABUSE**

**9.1.1 Fraud Prevention Reporting**

- 9.1.1.1 Subrecipient's staff working on this Subaward shall immediately report all suspected or actual instances of fraud as designated in Exhibit Q (Accounting, Administration and Reporting Requirements).

**9.1.2 Child Abuse Reporting**

- 9.1.2.1 Subrecipient's staff working on this Subaward shall comply with the Child Abuse and Neglect Reporting



Act (California Penal Code (PC) Section 11164 et seq.), and shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by the referenced Penal Code. Additionally, Subrecipient's staff working on this Subaward shall also report such abuse to the County of Los Angeles Department of Children and Family Services by calling the hotline at (800) 540-4000 within twenty-four (24) hours of discovering or suspecting the abuse. Subrecipient's staff shall submit all required information to the appropriate authorities in accordance with PC Sections 11166 and 11167.

**9.1.3 Elder and Dependent Adult Abuse Reporting**

9.1.3.1 Subrecipient's staff working on this Subaward shall comply with the Elder Abuse and Dependent Adult Civil Protection Act (California Welfare and Institutions Code (WIC) Section 15600 et seq.), and shall report all known or suspected instances of physical abuse of elders and dependent adults either to an appropriate County adult protective services agency or to a local law enforcement agency, as mandated by the referenced Welfare and Institutions Code. Subrecipient's staff working on this Subaward shall report the abuse and shall submit all required information in accordance with WIC Sections 15630, 15633 and 15633.5.

**9.1.4 Withholding of Payment**

9.1.4.1 In the event that allegations of fraud and/or abuse are levied against Subrecipient or any individual or entity performing Work under this Subaward on behalf of Subrecipient, County reserves the right to withhold either ten percent (10%) of the Subaward Sum allocated for any Fiscal Year under this Subaward or the entire amount of the final year-end invoice, whichever is greater, until a determination is issued in writing by County that withheld funds will be released to Subrecipient. For purposes of this Subaward, fraud and abuse shall include but are not limited to the following: misapplication of funds; embezzlement; forgery; theft; solicitation and receipt of bribes; falsification of records; inauditable records; unsupported or undocumented Subaward expenditures; inaccurate fiscal and/or Program reports; misuse of fixed assets or non-fixed assets purchased with Subaward Sums (when the procurement of such assets are authorized in this Subaward); violation of conflict of interest requirements; etc.

**9.2 AMERICANS WITH DISABILITIES ACT (ADA)**

9.2.1 Subrecipient shall abide by all applicable Federal, State and local laws including the Americans with Disabilities Act (ADA) and its requirement to provide reasonable accommodations and auxiliary aids or services, unless compliance with the ADA would

place an undue financial burden on, or would fundamentally alter the nature of, Subrecipient's operations. Subrecipient shall submit demonstrable evidence of such undue financial burden to County in such circumstances.

### **9.3 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE**

9.3.1 The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (Senate Bill 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Subrecipient (that is, "Contractor") to complete Exhibit O (Charitable Contributions Certification), County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect Los Angeles County and its taxpayers. When Contractor receives or raises charitable contributions without complying with its obligations under California law, Contractor commits a material breach subjecting it to termination of this Subaward (that is, "Contract"), debarment proceedings or both (Los Angeles County Code Chapter 2.202). Prior to the commencement of this Contract, Contractor shall submit the completed Exhibit O (Charitable Contributions Certification) to County's Contract Manager in the time and manner as designated by County.

### **9.4 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")**

9.4.1 County is subject to the Administrative Simplification requirements and prohibitions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules which are outlined in Title 45 Code of Federal Regulations Sections 160 and 164 (collectively "HIPAA Rules"). Under this Subaward, Subrecipient provides Services to County and Subrecipient creates, has access to, receives, maintains, or transmits Protected Health Information as defined in Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) in order to provide those Services. County and Subrecipient therefore agree to the terms of Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")).

### **9.5 FIXED ASSETS, NON-FIXED ASSETS AND SUPPLIES**

9.5.1 Subrecipient may use Subaward Sums to purchase Fixed Assets, Non-Fixed Assets and Supplies, which are defined in Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies). Prior to the commencement of this Subaward, Subrecipient shall complete Exhibit T (Inventory Control Form) and submit it to County's Contract Manager in the time and manner as designated by County. County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that Subrecipient shall adhere to the purchase, inventory and disposal requirements for all Fixed Assets, Non-Fixed

Assets and Supplies purchased with Subaward Sums, as provided by Federal and State regulations as well as the requirements outlined in Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies).

- 9.5.2 This Subaward involves the furnishing of equipment, materials and/or supplies. As such, it is unlawful for Subrecipient when engaged in business within the State to use any article or product as a "loss leader" as defined in the Business and Professions Code Section 17030.

## **9.6 LIMITATION ON CORPORATE ACTS**

- 9.6.1 Subrecipient shall not amend its articles of incorporation or bylaws, move to dissolve or transfer any assets obtained using Subaward Sums, or take any other steps which may materially affect the performance of this Subaward without first notifying County in writing no less than thirty (30) days prior to said action. Subrecipient shall notify County's Contract Manager immediately in writing of any change in Subrecipient's corporate name.

- 9.6.2 If, in County's sole discretion, the steps taken by Subrecipient are determined to materially affect Subrecipient's performance of this Subaward, County may, at its sole discretion, take any (or all) of the following actions:

9.6.2.1 Require Subrecipient to remedy the areas that affect Subrecipient's ability to perform its obligations under this Subaward.

9.6.2.2 Suspend Subrecipient from performing (and receiving payment for) Subaward tasks until a remedy has been reached.

9.6.2.3 Terminate this Subaward pursuant to Subparagraph 8.43 (Termination for Default).

## **9.7 INTENTIONALLY OMITTED**

## **9.8 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN**

- 9.8.1 Subrecipient represents and warrants that it has registered in Los Angeles County's vendor registration system ("WebVen"). The WebVen contains Subrecipient's business profile and identifies the goods/services being provided by Subrecipient. Subrecipient shall ensure that it updates its vendor profile whenever changes occur to Subrecipient's operations by accessing the WebVen site located on-line at: <http://camisvr.co.la.ca.us/webven/>. County shall use the data obtained from Subrecipient's WebVen profile to ensure that Subrecipient's information is consistent with Subaward records (e.g., Subrecipient's legal name, as reflected in its WebVen profile, shall be used in all Subaward documents).

## **9.9 MODIFICATIONS**

- 9.9.1 **Modifications to this Subaward**

9.9.1.1 This Subaward fully expresses the agreement of the parties. Any modification to this Subaward must be by means of a separate written document approved by County. No oral conversation between any officer, employee or agent of the parties shall modify or otherwise amend this Subaward in any way. For purposes of this Subparagraph 9.9, a Modification:

9.9.1.1.1 Is a mechanism that allows Subrecipient to revise its Budget or Services during the Fiscal Year or Program Year without adversely affecting Subrecipient's ability to fulfill its obligations under this Subaward (i.e., such Modification shall not materially change Subrecipient's obligation to provide the Services outlined in Exhibit A (Statement of Work)).

9.9.1.1.2 Allows Subrecipient to fully utilize Subaward Sums to fulfill the requirements of this Subaward and adequately cover the provision of Services.

9.9.1.1.3 Is approved by County in writing, must be in the best interests of County and Subrecipient shall adhere to it in its entirety.

9.9.1.2 Any Modification, as described below, shall not change the terms, goals or requirements of this Subaward. Such Modification provides Subrecipient some flexibility to operate within the terms of this Subaward in order to fully utilize Subaward Sums and to achieve Subrecipient's performance goals. Subrecipient's request for Modifications, either budgetary or programmatic, must be submitted in writing to either County's Contract Manager or County's Program Manager, respectively. Subrecipient shall not request a Modification during the first quarter and during the last two (2) months of the current Fiscal Year or Program Year (except where a written waiver is requested by Subrecipient and granted by County).

## 9.9.2 **Budget Modifications**

9.9.2.1 The movement of funds within an approved Budget from one line item to another line item is classified as a Budget Modification. For the entirety of any Fiscal Year or Program Year, a Budget Modification shall not exceed twenty percent (20%) of the baseline amount allocated to the line items being modified (i.e., Subrecipient's movement of funds among line items shall not cause one line item to be reduced or increased by more than twenty percent



(20%) of its baseline amount). For purposes of this Paragraph 9.9, baseline is defined as the original amount allocated at the beginning of a Fiscal Year or Program Year; for Fiscal Years or Program Years following the first Fiscal Year or Program Year, such amount may differ from what is reflected in the original Subaward. A Budget Modification shall not change the Maximum Subaward Sum. Subrecipient shall notify County's Contract Manager in writing to request authorization prior to submitting a Budget Modification. On the date County approves a Budget Modification, such Budget Modification shall replace any prior Budget Modification(s) approved by County within the same Fiscal Year or Program Year (i.e., when Subrecipient's Budget Modification number 2 is approved by County, it becomes effective upon the approval date and Subrecipient's Budget Modification number 1 is no longer effective as of that same date).

#### **9.9.3 Program Modifications**

9.9.3.1 The movement of Services from one Service category (as defined in Exhibit A (Statement of Work)) to another is classified as a Program Modification. Subrecipient shall notify County's Program Manager in writing to request authorization prior to submitting a Program Modification. On the date County approves a Program Modification, such Program Modification shall supersede any prior Program Modification(s) approved by County within the same Fiscal Year or Program Year (i.e., when Subrecipient's Program Modification number two (2) is approved by County, it becomes effective upon the approval date and Subrecipient's Program Modification number one (1) is no longer effective as of that same date).

#### **9.10 NEPOTISM**

9.10.1 Subrecipient certifies that it shall not hire nor permit the hiring of any person in a position funded under this Subaward if a member of the person's immediate family is employed in an administrative capacity by Subrecipient. For purposes of this Subparagraph 9.10, the term "immediate family" means spouse (common law or otherwise, and including domestic partner), child, mother, father, brother, sister, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, step-parent, step-child, or such other relationship which would give rise to a substantial appearance of impropriety if the person were to be hired by Subrecipient. The term "administrative capacity" means a position that has overall administrative responsibility for the Program, including but not limited to selection, hiring, or supervisory responsibilities.

#### **9.11 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT**

9.11.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams,



facilities, and tools ("materials") which are originated or created through Subrecipient's Work pursuant to this Subaward. Subrecipient, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in County all of Subrecipient's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Subrecipient's Work under this Subaward.

9.11.2 During the term of this Subaward and during the authorized retention period of this Subaward, Subrecipient shall maintain and provide security for all of Subrecipient's working papers prepared under this Subaward. County shall have the right to inspect, copy and use at any time during the term of this Subaward and during the authorized retention period of this Subaward, any and all such working papers and all information contained therein.

9.11.3 Any and all materials, software and tools which are developed or were originally acquired by Subrecipient outside the scope of this Subaward, which Subrecipient desires to use hereunder, and which Subrecipient considers to be proprietary or confidential, must be specifically identified by Subrecipient to County's Contract Manager as proprietary or confidential, and shall be plainly and prominently marked by Subrecipient as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.

9.11.4 County will use reasonable means to ensure that Subrecipient's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Subrecipient.

9.11.5 Notwithstanding any other provision of this Subaward, County will not be obligated to Subrecipient in any way under Subparagraph 9.11.4 for any of Subrecipient's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Subparagraph 9.11.3 or for any disclosure which County is required to make under any Federal or State law or order of court.

9.11.6 Intentionally Omitted

9.11.7 All the rights and obligations of this Subparagraph 9.11 shall survive the expiration or termination of this Subaward.

## **9.12 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION**

9.12.1 Subrecipient shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third-party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Subrecipient's Work under this Subaward. County shall inform Subrecipient as

soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Subrecipient's defense and settlement thereof.

9.12.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Subrecipient, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

9.12.2.1 Procure for County all rights to continued use of the questioned equipment, part, or software product; or

9.12.2.2 Replace the questioned equipment, part, or software product with a non-questioned item; or

9.12.2.3 Modify the questioned equipment, part, or software so that it is free of claims.

9.12.3 Subrecipient shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Subrecipient, in a manner for which the questioned product was not designed nor intended.

## **9.13 PROBATION AND SUSPENSION**

9.13.1 Subrecipient may be placed on probation, suspension or a combination thereof when County determines that Subrecipient is not in compliance with any Service, Work, task, deliverable or requirement outlined in this Subaward and/or when Subrecipient has demonstrated a consistent and significant lack of achievement of the Subaward goals (including, but not limited to, meeting the requirements for Program performance, the Budget, expenditures, staffing, administration, etc.). County shall notify Subrecipient in writing in the event that Subrecipient is placed on probation, suspension or a combination thereof.

### **9.13.2 Probation**

9.13.2.1 Probation as used herein shall mean a specified period of time (as determined by County) during which Subrecipient must remedy all areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Subrecipient's adherence to such remedy(ies) during the probation.

9.13.2.2 When County places Subrecipient on probation, County shall provide Subrecipient a written notice indicating the reasons for the probation (which shall include a description of the areas of Subrecipient's non-compliance), the date upon which this probation shall become effective, the date upon which Subrecipient shall fully remedy all areas of non-compliance and a determination as to whether or not Subrecipient may continue to provide

Services during the probation.

- 9.13.2.3 Subrecipient's ability to obtain future funding may be impacted when Subrecipient does not remedy its non-compliance during its probation and/or when Subrecipient is placed on multiple probations (as determined by County at County's sole discretion).

9.13.3 **Suspension**

- 9.13.3.1 Suspension as used herein shall mean a specified period of time (as determined by County) during which County will withhold payment from Subrecipient (i.e., suspension of payment(s)), County will institute a temporary curtailment of the Services provided by Subrecipient and its Lower Tier Subrecipient(s), if any, (i.e., suspension of Work) or a combination thereof. This Subaward may be suspended in whole or in part, from time to time, when such action is deemed by County in its sole discretion to be in County's best interest. During the suspension, Subrecipient has a continuing obligation to remedy the areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Subrecipient's adherence to such remedy(ies) during the suspension.

- 9.13.3.2 When County suspends Subrecipient, County shall provide Subrecipient a written notice indicating the type of suspension, the reasons for such suspension (which shall include a description of the areas of Subrecipient's non-compliance), the date upon which this suspension shall become effective, the date upon which Subrecipient shall fully remedy all areas of non-compliance and a determination as to whether or not Subrecipient may continue to provide Services which are not suspended during the suspension. When County institutes a temporary curtailment of Services, the written notice shall include a description of the Service(s) being suspended.

- 9.13.3.3 At County's sole discretion, when Subrecipient's payment(s) and/or Services are suspended, County may also elect to transfer suspended Services from Subrecipient to another subrecipient for a period of time that will be determined solely by County. Subrecipient's ability to obtain future funding may be impacted when Subrecipient does not remedy its non-compliance during its suspension and/or when Subrecipient is placed on multiple suspensions (as determined by County at County's sole discretion).

- 9.13.3.4 Upon receipt of a notice of suspension of Services and except as otherwise directed by County, Subrecipient shall:

- 9.13.3.4.1 Stop providing Services under this Subaward on the date and to the extent specified in such notice.
    - 9.13.3.4.2 Complete performance of such part of the Services that is not suspended by such notice.
  - 9.13.3.5 Subrecipient shall be promptly paid for Services properly completed up until the time of suspension. Such payment is contingent upon Subrecipient properly completing and timely submitting its invoice(s) for Services completed up until the effective date of suspension.
  - 9.13.3.6 Suspension shall continue for the period specified in the written notice of suspension provided to Subrecipient, unless County provides written notice to resume Services at an earlier date.
  - 9.13.3.7 All other terms and remedies provided in this Subaward, including provisions for Termination, shall remain valid during any period of suspension.
- 9.13.4 In response to the notice of probation or suspension, Subrecipient shall submit a written Corrective Action Plan to County's Compliance Manager within ten (10) days of the postmark date indicated on the notice from County. Subrecipient's Corrective Action Plan shall address all of the deficiencies noted by County.
- 9.13.5 County shall review Subrecipient's Corrective Action Plan, and will determine whether it meets the requirements for County's approval. County reserves the right to suspend/deduct payments for or to terminate all or any part of this Subaward (and/or any of Subrecipient's other contracts with County) when Subrecipient submits a Corrective Action Plan that is not acceptable to County.
- 9.13.6 Subrecipient shall implement the Corrective Action Plan upon receiving County's final written approval of the Corrective Action Plan. Subrecipient's failure to comply with an approved Corrective Action Plan will be cause for material breach of this Subaward upon which County may pursue the remedies for default of Subaward, including, but not limited to, reimbursement for all debt collection costs incurred by County.

#### **9.14 TRANSITION OF SUBAWARD SERVICES**

##### **9.14.1 Completion of Subaward**

- 9.14.1.1 Within sixty (60) calendar days prior to the expiration of this Subaward (or shorter time period if notified in writing by County), Subrecipient shall allow County or a newly selected subrecipient a transition period for orientation purposes and the orderly transition of Subrecipient's current Services without additional costs to County. Subrecipient shall continue to provide Services timely and

accurately so that the Services are current at the expiration of this Subaward.

**9.14.2 Transition Plan**

9.14.2.1 If this Subaward (or any part thereof) is terminated pursuant to any of the termination provisions outlined herein or if it expires pursuant to Paragraph 4.0 (Term of Subaward), Subrecipient shall provide a Transition Plan to County. Subrecipient shall submit said Transition Plan to County's Contract Manager within the timeframe designated by County in the notice of termination or Subrecipient shall submit it at least sixty (60) days prior to the expiration of this Subaward as noted in Paragraph 4.0 (Term of Subaward).

9.14.2.2 County shall review Subrecipient's Transition Plan and will determine whether it meets the requirements for County's approval. County reserves the right to suspend/deduct payments under this Subaward and/or under any of Subrecipient's other contracts with County when Subrecipient submits a Transition Plan that is not acceptable to County. Subrecipient shall adhere to the Transition Plan which, at a minimum, shall include all of the elements outlined below.

**9.14.3 Elements of the Transition Plan**

9.14.3.1 Description of how Clients will be notified about the change in their Service provider.

9.14.3.2 Subrecipient's method to communicate with other organizations that can assist in locating alternative Services.

9.14.3.3 Subrecipient's method to inform community referral sources of the pending termination of Services and what alternatives, if any, exist for future referrals.

9.14.3.4 Subrecipient's method to evaluate Clients in order to assure appropriate placement that will allow Clients to receive Services.

9.14.3.5 Subrecipient's method to transfer any confidential medical and Client records to the new subrecipient in accordance with applicable provisions of the Health Insurance Portability and Accountability Act of 1996 or other Federal, State or local laws and regulations.

9.14.3.6 Subrecipient's method to dispose of confidential records, which fall outside of the retention period noted in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement), in accordance with applicable laws and regulations, and the terms of this Subaward.



- 9.14.3.7 Subrecipient's plan to ensure provision of adequate staff to provide continued care through the remaining term of this Subaward.
- 9.14.3.8 A fully documented inventory of all Fixed and Non-Fixed Assets as well as a method to dispose, transfer or return to County all Fixed and Non-Fixed Assets purchased with Subaward Sums during the entire term of this Subaward.
- 9.14.3.9 Any additional information which may be necessary to effect a safe transition of Clients to other community service providers.

**9.14.4 Implementation of the Transition Plan**

- 9.14.4.1 Subrecipient shall implement the Transition Plan that is approved by County. Subrecipient's failure to provide and/or implement the Transition Plan as prescribed herein shall mean that County will provide Subrecipient a Transition Plan and Subrecipient will implement the Transition Plan provided by County. County will monitor Subrecipient's progress in carrying out all elements of the Transition Plan.

**9.15 TRAVEL EXPENSES**

- 9.15.1 Subrecipient shall obtain prior written approval from County's Contract Manager for any expenses under this Subaward related to travel outside of Los Angeles County (out-of-town travel).
- 9.15.2 Subrecipient shall maintain written documentation evidencing that all out-of-town travel expenses are specifically related to providing Services under this Subaward, in conformity with the document retention requirements specified in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement).
- 9.15.3 Subrecipient shall ensure that no more than two (2) of its staff incur any out-of-town travel expenses at any time.
- 9.15.4 Subrecipient shall not invoice County if out-of-town travel expenses are incurred without proper documentation evidencing County's prior written approval.
- 9.15.5 Subrecipient's non-compliance with the requirements of this Subparagraph 9.15 will result in these costs being disallowed, payments being withheld or other remedy being applied as County shall determine to be appropriate.

**9.16 DRUG-FREE WORKPLACE**

- 9.16.1 Subrecipient and its Lower Tier Subrecipient(s) shall adhere to the requirements outlined in the California Drug-Free Workplace Act of 1990, as amended (California Government Code Section 8350 et seq.). Subrecipient and its Lower Tier Subrecipient(s) shall provide and maintain a drug-free workplace for all of their employees, and shall have a documented anti-drug

policy and a drug-free awareness program. Violation of or non-compliance with these requirements by Subrecipient, its Lower Tier Subrecipient or both shall subject Subrecipient to remedies available under the terms of this Subaward. Such remedies shall include suspending Subrecipient's payments, placing Subrecipient on probation or suspension, terminating this Subaward or other available remedies which shall be determined by County at its sole discretion.

9.16.2 Subrecipient shall provide a written drug-free workplace policy statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and stating the specific actions that will be taken for violations.

9.16.3 The ongoing drug-free awareness program must inform employees about the following: the dangers of drug abuse; available drug counseling, rehabilitation, and employee assistance programs; penalties that may be imposed; and, that employees are to be aware that Subrecipient and its Lower Tier Subrecipient(s) operate a drug-free workplace.

9.16.4 Subrecipient shall require its employees to report in writing any conviction for a violation of a criminal drug statute occurring in the workplace. Subrecipient shall provide written notice to County's Contract Manager within ten (10) days of having received such notice from employee(s). Within thirty (30) days of receiving the notice of a conviction, Subrecipient must have taken appropriate action against the employee(s) or have required employee's participation in a drug abuse assistance or rehabilitation program.

## **9.17 INFORMATION TECHNOLOGY, SECURITY AND PRIVACY REQUIREMENTS**

9.17.1 In the course of completing the Work and providing Services under this Subaward, Subrecipient shall use any Information Technology Systems (ITS) as designated by County. This Subparagraph 9.17 sets forth the requirements for the ITS which Subrecipient shall use. This Subparagraph 9.17 also sets forth the security procedures for these systems which Subrecipient shall have in place by the effective date of this Subaward and which Subrecipient shall maintain throughout the Subaward term. They present a minimum standard only. Subrecipient shall implement appropriate administrative, physical and technical measures to secure its systems and data to protect and ensure the privacy, confidentiality, integrity and availability of County Information Assets as defined in Subparagraph 9.17.5 (County Information Assets) (which consists of but is not limited to confidential County data, Personally Identifiable Information, Protected Health Information and Medical Information) against internal and external threats, vulnerabilities and risks. Subrecipient shall also continuously review and revise those measures to address ongoing threats, vulnerabilities and risks.

9.17.2 Subrecipient's failure to comply with the minimum standards set forth herein will constitute a material, non-curable breach of this Subaward, entitling County, in addition to and cumulative of all other remedies available to it at law, in equity, or under this

Subaward, to immediately terminate this Subaward.

**9.17.3 Information Technology Systems - Contract Management System-Contractor's Gateway**

9.17.3.1 County has implemented use of the Contract Management System Contractor's Gateway ("Contractor's Gateway"), an automated system designed to electronically manage this Subaward. Subrecipient shall use the System to perform its administrative contracting functions as directed by County.

9.17.3.2 County has established policies concerning the access, use and maintenance of the Contractor's Gateway. Subrecipient shall adhere to these policies, which are identified in Exhibit V (Contract Management System - Contractor's Gateway Terms and Conditions of Use), instruction guides/tutorials provided by County, training sessions conducted by County, etc. Subrecipient's non-compliance with these policies may subject Subrecipient to denial of access to the Contractor's Gateway, suspension of payment(s), termination of this Subaward, and/or other remedies/actions which County may take at its sole discretion under the terms of this Subaward and/or applicable law or regulation.

**9.17.4 Information Technology Systems - Management Information System**

9.17.4.1 **Intentionally Omitted**

9.17.4.2 **Data Records**

9.17.4.2.1 Subrecipient's failure to submit the required statistical data within the time and manner as designated by County may subject Subrecipient to appropriate remedies as determined by County at County's sole discretion. Remedies will remain in effect until Subrecipient becomes compliant. County will consider Subrecipient's non-compliance during future funding decisions.

9.17.4.2.2 Subrecipient shall maintain all records and reports, consistent with Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement), and shall make them available for audit, assessment, or inspection by County and any of its duly authorized representatives (including, but not limited to, State authorities, Federal agencies and/or any of their duly authorized representatives).

9.17.4.2.3 All information, records, data elements and print-outs collected and

maintained for the operation of the Program and pertaining to Clients (including paper and electronic data) must be protected from unauthorized disclosures in accordance with Subparagraph 7.6 (Confidentiality), California Welfare and Institutions Code Section 10850, California Information Practices Act of 1977, and all other applicable laws and regulations.

**9.17.4.3 Intentionally Omitted**

**9.17.5 County Information Assets**

**9.17.5.1** County Information Assets are public, confidential, sensitive and/or personal identifying data, records, materials, etc. and include (but are not limited to):

**9.17.5.1.1** Information that is stored in hard copy or electronic format and may include but is not limited to the following: reports; notes; forms; computers, laptops, cellphones, printers, scanners; networks (LAN, WAN, WIFI) servers, switches, routers; storage media, hard drives, flash drives, cloud storage; data, applications, databases; etc.

**9.17.5.1.2** Information that is collected, transmitted and/or accessed in the administration of the Program and in the provision of Services.

**9.17.5.1.3** Personal Information as defined in California Civil Code Section 1798.29(g).

**9.17.5.1.4** Protected Health Information as defined in Health Insurance Portability and Accountability Act of 1996.

**9.17.5.1.5** Medical Information as defined in California Civil Code Section 56.05(j).

**9.17.6 Physical and Environmental Security**

**9.17.6.1** Subrecipient shall take reasonable measures to ensure the physical security of its operating location(s) that handles County Information Assets. Work areas containing computers or source documents should be secured from public access unless Subrecipient's representative is present. When unoccupied during non-operating hours, Subrecipient's facility(ies) shall be locked.

**9.17.7 Data Destruction**

**9.17.7.1** When Subrecipient has maintained, processed or

stored County Information Assets, implied or expressed, and such County Information Assets are no longer required to be retained by Subrecipient under this Subaward and applicable law, County shall have sole authority to determine when Subrecipient shall destroy any such County Information Assets as described herein. Subrecipient shall only proceed with the destruction of County Information Assets (which may be stored on purchased, leased or rented electronic storage equipment (e.g., printers, hard drives, etc.) and electronic devices (e.g., servers, workstations, etc.) that are geographically located within Los Angeles County or external to Los Angeles County's boundaries) upon receiving written authorization from County.

9.17.7.2 Subrecipient shall destroy such County Information Assets by:

9.17.7.2.1 Shredding or otherwise destroying paper, film, disk drives or other hard copy media so that the Personally Identifiable Information, Protected Health Information and Medical Information cannot be read or otherwise reconstructed.

9.17.7.2.2 Clearing, purging or destroying electronic media containing Personally Identifiable Information, Protected Health Information and Medical Information consistent with National Institute of Standards and Technology ("NIST") Special Publication ("SP") 800-88 (Guidelines for Media Sanitization) which is available on-line at: [http://csrc.nist.gov/publications/PubsDRAFTS.html#SP-800-88-Rev. %201](http://csrc.nist.gov/publications/PubsDRAFTS.html#SP-800-88-Rev.%201) and United States Department of Defense 5220.22-M data sanitization and clearing directive such that the Personally Identifiable Information, Protected Health Information and Medical Information cannot be retrieved.

9.17.7.3 Subrecipient shall have the sole responsibility to certify that the County Information Assets have been appropriately destroyed consistent with the requirements outlined herein.

9.17.7.4 Subrecipient shall provide County with written certification validating that any and all County Information Assets were placed in one (1) or more of the following stored states: unusable, unreadable and/or indecipherable. Subrecipient shall submit such certification to County's Contract



Manager no later than ten (10) days after the occurrence of this event.

- 9.17.7.5 Lower Tier Subrecipient shall provide County with written certification validating that any and all County Information Assets were destroyed and are in one (1) or more of the following states: unusable, unreadable and/or undecipherable. Lower Tier Subrecipient shall submit such certification to County's Contract Manager no later than ten (10) days after the removal of any electronic storage equipment and devices and the destruction of the County Information Assets.

9.17.8 **Encryption on Workstations and Portable Computing Devices**

- 9.17.8.1 Subrecipient and its Lower Tier Subrecipient shall use software and/or hardware encryption methods for confidential County Information Assets stored on all electronic media in accordance with the following standards:

- 9.17.8.1.1 Federal Information Processing Standard Publication ("FIPS") 140-2.

- 9.17.8.1.2 NIST SP 800-57 (Recommendation for Key Management - Part 1: General (Revision 3).

- 9.17.8.1.3 NIST SP 800-57 (Recommendation for Key Management - Part 2: Best Practices for Key Management Organization).

- 9.17.8.1.4 NIST SP 800-111 (Guide to Storage Encryption Technologies for End User Devices).

- 9.17.8.1.5 At a minimum, Subrecipient shall use Advanced Encryption Standard ("AES") with cipher strength of 256-bit

- 9.17.8.1.6 Prior to use of remote servers (e.g., cloud storage, Software-as-a-Service (SaaS), etc.) for storage of County Information Assets, Subrecipient shall obtain written approval from County's Contract Manager.

- 9.17.8.2 Subrecipient and its Lower Tier Subrecipient shall use software and/or hardware encryption methods for transmitted (i.e., through network transmission) confidential County Information Assets in accordance with the following standards:

- 9.17.8.2.1 NIST SP 800-52 (Guidelines for the Selection and Use of Transport Layer Security Implementations).

9.17.8.2.2 NIST SP 800-57 (Recommendation for Key Management - Part 3: Application-Specific Key Management Guidance).

9.17.8.3 Subrecipient and its Lower Tier Subrecipient shall have operational policies, procedures and practices which protect County Information Assets including those assets used to store or access Personal Health Information (PHI), Personal Information (PI) and any information protected under the Health Insurance Portability and Accountability Act (HIPAA) as specified herein and in the State Administrative Manual Sections 5300 to 5365.3; California Government Code Section 11019.9; Department of General Services Management Memo (MM 06-12); Department of Finance Budget Letter (06-34); Statewide Health Information Policy Manual; and, County's Board of Supervisors Policy Manual (Policy Number 5.200 (Contractor Protection of Electronic County Information)).

9.17.8.4 Subrecipient and its Lower Tier Subrecipient shall encrypt confidential, sensitive and/or personal County Information Assets which are stored on all electronic media (including workstations, portable computing devices (including, but not limited to, workstations, servers, mobile devices, wearables, tablets, laptops, personal digital assistants, notebook computers, and backup media) and/or portable electronic storage media (including, but not limited to, discs, thumb/flash drives, external/portable hard drives, and backup media)).

9.17.8.5 **Removable Media**

9.17.8.5.1 Except in the context of Subrecipient's routine back-ups or as otherwise specifically authorized by County in writing, Subrecipient shall institute strict administrative, physical and logical security controls to prevent transfer of County information to any form of removable media. For purposes of this Subaward, removable media means portable or removable hard disks, floppy disks, universal serial bus (USB) memory drives, zip disks, optical disks, CDs, DVDs, digital film, digital cameras, memory cards (e.g., secure digital (SD), memory sticks (MS), compact flash (CF), smart media (SM), multimedia card (MMC), and xD-picture card (xD)), magnetic tape and all other removable data storage media.

9.17.8.6 In the event that Subrecipient will have County Information Assets on or accessed by mobile devices, Subrecipient shall have in place, a mobile computing policy, reviewable and audited by County. This policy must address device recovery and data eradication methods, the mobile device management capabilities in place, the use of personal devices versus Subrecipient-supplied devices and all applications that may have access to or render County Information Assets.

**9.17.8.7 Data Control and Media Servicing**

9.17.8.7.1 Subrecipient shall adhere to the requirements for back-up data stored by Subrecipient at off-site facilities as provided in this Subparagraph 9.17.8.7.

9.17.8.7.2 County Information Assets shall only be made available and accessible to those parties explicitly authorized under this Subaward or otherwise expressly approved by County in writing.

9.17.8.7.3 If transferred across the Internet, any wireless network (e.g., cellular, Bluetooth, 802.11x, or similar technology), or other public or shared networks, County Information Assets must be protected using industry standard encryption technology in accordance with the NIST SP 800-52 (Guidelines for the Selection and use of Transport Layer Security Implementations).

9.17.8.7.4 If transferred using removable media (as defined above), County Information Assets must be sent via a bonded courier or protected using industry standard encryption technology in accordance with NIST SP 800-111 (Guide to Storage Encryption Technologies for End User Devices).

9.17.8.7.5 In the event any hardware, storage media or removable media must be sent off-site for servicing, Subrecipient shall ensure that all confidential County Information Assets, including Personally Identifiable Information, Protected Health Information and Medical Information, have been cleared, purged and/or scrubbed from such hardware and/or media using industry best practices in accordance with NIST SP 800-88 (Guidelines for

Media Sanitization).

- 9.17.8.8 Subrecipient shall certify its compliance with the encryption standards noted herein as a condition of executing this Subaward. Subrecipient provide such certification by completing and submitting Exhibit AA (Subrecipient's Compliance with Encryption Requirements) in the form and manner as determined by County. Subrecipient shall maintain compliance with this policy during the term of this Subaward and for as long as Subrecipient maintains or is in possession of County Information Assets. In addition to the foregoing certification, Subrecipient shall maintain any validation/attestation reports that the data encryption product generates and such reports shall be subject to audit in accordance with the requirements outlined in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement). In the event of Subrecipient's non-compliance with these requirements, County will require Subrecipient to develop and execute a corrective action plan. Subrecipient's failure to comply with this policy may subject Subrecipient to suspension or termination of this Subaward, denial of access to County information technology resources and/or other remedies which are deemed appropriate by County.

9.17.9 **Software Maintenance and Operational Management**

- 9.17.9.1 Subrecipient shall deploy up-to-date anti-virus software with current definitions on all computer systems on which County Information Assets are stored and/or transmitted.
- 9.17.9.2 Subrecipient and its Lower Tier Subrecipient shall ensure that all security patches, software updates/upgrades, etc. are applied in a timely manner to all computer systems on which County Information Assets are stored, accessed and/or transmitted.
- 9.17.9.3 Subrecipient shall deploy adequate back-up facilities to ensure that its essential business information can be promptly recovered in the event of a disaster or media failure.
- 9.17.9.4 Subrecipient shall ensure that its operating procedures are adequately documented and designed to protect information, computer media and data from theft and unauthorized access.

9.17.10 **Access Control**

- 9.17.10.1 Subrecipient shall implement formal procedures to control access to its systems, services and data, including, but not limited to, user account management procedures and other controls as outlined in this Subparagraph 9.17. Subrecipient shall ensure that network access to both internal

and external networked services shall be controlled through the use of properly configured firewalls, etc. Operating systems will be used to enforce access controls to computer resources including, but not limited to, authentication, authorization and event logging. Applications will include access control to limit user access to information and application system functions. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. Subrecipient shall record, review and act upon all events in accordance with incident response policies set forth herein.

9.17.10.2 Subrecipient shall develop, implement and enforce/maintain a password policy which requires users who are authorized to access confidential County Information Assets on electronic media to: create a strong complex password containing at least eight (8) characters, which shall include upper and lower case letters, digits and symbols; and, change his/her password at a minimum every ninety (90) days, etc.

9.17.10.3 Subrecipient shall develop, implement and enforce/maintain a password policy which provides for the following system requirements: when user changes his/her password, the system shall restrict user from re-using any of the last six (6) passwords; the system will lock itself after a minimum of three (3) to a maximum of five (5) failed logon attempts made by user within a thirty (30) minute time frame; and, the system will either lock itself or log off user after thirty (30) minutes of inactivity.

**9.17.11 Personnel and Subrecipient Protections**

9.17.11.1 Subrecipient shall screen and conduct background checks on all Subrecipient personnel exposed to confidential County Information Assets. Subrecipient shall require its employees and Lower Tier Subrecipient(s) to sign an appropriate written confidentiality/non-disclosure agreement. All Lower Tier Subawards requiring access to Subrecipient's systems and data, including all outsourcing arrangements and maintenance and support agreements (including facilities maintenance), shall specifically address security risks, controls and procedures for information systems. Subrecipient shall supply each of its employees with appropriate, ongoing training regarding information security procedures, risks, vulnerabilities and threats. Subrecipient shall have an established set of procedures to ensure Subrecipient employees promptly report actual and/or suspected breaches of security.

**9.17.12 County's Security Audit**

9.17.12.1 At County's sole discretion, County or its designee



may annually, or more frequently, conduct a security audit to determine Subrecipient's adherence to the requirements outlined in this Subparagraph 9.17.

- 9.17.12.2 County's security audit may include, but is not limited to, a review of the following elements, which shall be provided by Subrecipient upon County's request: a report on Subrecipient's encryption of all electronic media; Subrecipient's report verifying County's written authorization for data destruction along with documented certification of such destruction; and, Subrecipient's written assurance indicating that Subrecipient enforces security measures to control physical access (i.e., access to premises) and electronic access (i.e., access to electronic media) to County Information Assets.

**9.17.13 Security Incident Reporting**

- 9.17.13.1 A security incident occurs when County Information Assets are or reasonably believed to have been accessed, modified, destroyed or disclosed without proper authorization or are lost or stolen. A security incident includes (but is not limited to) instances in which Subrecipient employees access systems in excess of their user rights or use the systems inappropriately, data is breached, etc. Subrecipient and its Lower Tier Subrecipient must comply with California Department of Aging's security incident reporting procedure which is available online at [http://aging.ca.gov/Programsproviders/Information\\_Security\\_and\\_Privacy](http://aging.ca.gov/Programsproviders/Information_Security_and_Privacy).

**9.17.13.2 Notification of Security Breach to County**

- 9.17.13.2.1 Subrecipient must immediately report all security incidents to County's Program Manager but in no event shall the report be made more than two (2) business days after its detection. Subrecipient shall initiate the contact by telephone and followed by written letter of any potential or actual security attacks or security incidents.

- 9.17.13.2.2 Subrecipient's notification of the security incident shall include the approximate date and time of its occurrence and a summary of the relevant facts, including a description of measures being taken to address the occurrence.

**9.17.13.3 Notification of Security Breach to Clients**

- 9.17.13.3.1 Subrecipient and its Lower Tier Subrecipient shall give written notice to any Client or data subject whose confidential, sensitive and/or personal identifying information may have been

breached in accordance with HIPAA, the Information Practices Act of 1977, and State policy.

**9.17.14 Electronic Backups**

9.17.14.1 Subrecipient and its Lower Tier Subrecipient shall ensure that all electronic County Information Assets are protected by performing regular backups of automated files and databases, and ensure the availability of County Information Assets for continued business. Subrecipient and its Lower Tier Subrecipient shall ensure that all data, files and backup files are encrypted.

**9.17.15 Cloud Storage**

9.17.15.1 Subrecipient and its Lower Tier Subrecipient(s) may not utilize cloud storage of County Information Assets without the prior express written authorization of County, after a review of the cloud service by County or its designee(s).

**9.17.16 Hardware Return**

9.17.16.1 Upon termination or expiration of this Subaward or at any time upon County's request, Subrecipient will return all hardware provided by County or purchased by Subrecipient using Subaward Sums. Subrecipient shall not alter or modify such hardware. Subrecipient shall physically seal the hardware and return it to County via a bonded courier or as otherwise directed by County in accordance with Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies).

9.17.16.2 In the event that the hardware contains confidential County Information Assets and is owned by Subrecipient or its Lower Tier Subrecipient, Subrecipient shall send a notarized statement, detailing the destruction method used and the data sets involved, the date of destruction and the company or individual who performed the destruction to County's Program Manager within fifteen (15) days of termination or expiration of this Subaward or at any time upon County's request. Subrecipient's destruction or erasure of Personal Information, Protected Health Information and Medical Information shall be in compliance with industry best practices as outlined in NIST SP 800-88 (Guidelines for Media Sanitization).

9.17.17 Subrecipient shall ensure that its Lower Tier Subrecipient(s) adheres to all of the provisions included in this Subparagraph 9.17.

**9.18 REMEDIES FOR NON-COMPLIANCE**

9.18.1 Subrecipient agrees to comply with the requirements set forth in the entirety of this Subaward as well as the requirements

contained in supporting Program legislation and all applicable directives, Program memoranda, notices, guidelines and instructions issued by or on behalf of Federal, State or County authorities. Subrecipient's failure to comply with such requirements shall subject Subrecipient to remedies which are available under this Subaward and as provided by law. These remedies include but are not limited to the following: probation; suspension of payment(s); suspension of Services; assessment and collection of liquidated damages; de-obligation of Subaward Sums (for purposes of this Subaward, de-obligation is the partial or full removal of Subaward Sums from Subrecipient); re-obligation of Subaward Sums (for purposes of this Subaward, re-obligation is the allocation of de-obligated Subaward Sums to another current subrecipient(s) and/or to a new subrecipient); debarment; and/or termination of this Subaward. County shall have the sole discretion to determine which remedy(ies) will be applied as a result of Subrecipient's non-compliance.

**9.19 INTENTIONALLY OMITTED**

**9.20 SUBAWARD DOCUMENT DELIVERABLES**

9.20.1 Prior to the execution of this Subaward and throughout the entire term of this Subaward, Subrecipient shall obtain and maintain current and appropriate licenses, permits and certificates which are required by all applicable County, State and/or Federal laws, regulations, guidelines, Program memoranda and directives for the operation of its facility(ies) and for the provision of Services hereunder. Prior to the execution of this Subaward and annually thereafter (or as otherwise established by County), Subrecipient shall submit evidence/documentation (Subaward Document Deliverables) of its compliance with this requirement in the form and manner that is prescribed by County. Subrecipient shall provide to County's Contract Manager, by the deadline imposed by County, current copies of these deliverables which must be complete (without missing pages) and legible, and shall include:

9.20.1.1 Subaward Compliance Documents (as described in Subparagraph 9.20.3)

9.20.1.2 Business Forms (as described in Subparagraph 9.20.4)

9.20.1.3 Reporting Documents (as described in Subparagraph 9.20.5)

9.20.1.4 Other Documents: During the term of this Subaward, County or its designee(s) may request from time to time additional documents from Subrecipient, and Subrecipient shall adhere to County's request for such documents.

9.20.2 Subrecipient shall submit copies of all new or renewed licenses, permits, and certificates to County's Contract Manager within five (5) business days of the license, permit or certification award or renewal. Subrecipient shall immediately notify County of any lapses or expirations of these items. Subrecipient's failure to maintain and/or timely submit documents required or requested

by County may result in County imposing remedies as determined by County in its sole discretion.

**9.20.3 Subaward Compliance Documents**

**9.20.3.1 Business License**

9.20.3.1.1 When the local governing authority requires Subrecipient's organization to obtain a license to operate and conduct business within its local governing authority's jurisdiction, Subrecipient shall obtain such license to perform the Services outlined in this Subaward. The local governing authority may be either the local city government for entities doing business within its city limits or County of Los Angeles for entities located outside of city limits (i.e., unincorporated areas or designated cities). Subrecipient shall ensure that the license is current throughout the entire term of this Subaward. Subrecipient shall provide a current copy of its license to County annually (or upon expiration, as noted on the license).

**9.20.3.2 Certificate of Insurance**

9.20.3.2.1 The certificate shall evidence Subrecipient's compliance with the insurance requirements outlined in Subparagraph 8.24 (General Provisions for all Insurance Coverage) and Subparagraph 8.25 (Insurance Coverage). Subrecipient shall also provide copies of the certificate of insurance as it relates to its Lower Tier Subrecipient(s).

**9.20.3.3 Fire Department Inspection Report**

9.20.3.3.1 For each Service site that Client will visit, Subrecipient shall obtain an annual fire inspection of its facility(ies). The inspection shall be conducted by the Los Angeles County Fire Department or by Subrecipient's local fire department and Subrecipient shall obtain a written report of the inspection which shall be provided to County annually. In the event that violations are noted on the inspection report, Subrecipient shall ensure that it complies with all corrective measures as directed by the fire department. Subrecipient shall provide to County written evidence of its compliance within five (5) days of receiving the evidence from the fire department.

The fire inspection report shall be current within the most recent twelve (12) month period.

**9.20.4 Business Forms**

**9.20.4.1 Articles of Incorporation**

9.20.4.1.1 This document, which evidences the legal formation of Subrecipient's organization, shall reflect Subrecipient's current legal name; and, County shall use this document as verification of Subrecipient's name. In the event there are any amendments or addendums to the articles of incorporation, Subrecipient shall provide copies of such amendments/addendums to County within five (5) days of said amendments/addendums being finalized.

9.20.4.1.2 When Subrecipient's organization is a local government or a consortium of local governments, Subrecipient shall provide either a city charter or a joint powers agreement respectively, in lieu of the articles of incorporation.

**9.20.4.2 Board of Directors' Resolution**

9.20.4.2.1 A resolution from Subrecipient's Board of Directors, which evidences Authorized Representative's authority to act on behalf of Subrecipient in matters related to this Subaward (Subparagraph 8.3.3 (Board of Directors' Resolution)). Subrecipient shall submit its Board of Directors' resolution in the time and manner as designated by County.

**9.20.4.3 Board of Directors Roster**

9.20.4.3.1 The roster shall include the individuals who comprise Subrecipient's Board of Directors. In the event that the roster is updated, Subrecipient shall provide an updated roster to County within five (5) days of it being approved or finalized.

**9.20.4.4 Bylaws**

9.20.4.4.1 This document shall reflect the internal rules which govern Subrecipient's organization. These rules are generally concerned with the operation of the organization, and setting out the form, manner or procedure in which the organization should operate. In



the event that the bylaws are amended, Subrecipient shall provide such amendments to County within five (5) days of them being approved.

**9.20.4.5 Complaint Policies and Procedures**

9.20.4.5.1 Subrecipient's policies and procedures for receiving, investigating and responding to Client complaints shall be prepared and submitted to County pursuant to the requirements outlined in Subparagraph 8.5 (Complaints).

**9.20.4.6 Organization Chart**

9.20.4.6.1 The chart shall provide an outline of the hierarchy, relationships and relative ranks of Subrecipient's organizational parts and positions/jobs as it related to the operations of this Subaward. In the event that Subrecipient revises its organization chart, a copy shall be provided to County within five (5) days of any change in its organization chart.

**9.20.4.7 Lower Tier Subaward**

9.20.4.7.1 This executed third-party agreement (as defined in Subparagraph 8.40 (Lower Tier Subaward)) and any amendments or addendums thereto, shall be provided to County within five (5) days of the execution of that agreement, amendment and addendum.

**9.20.4.8 Tax Exempt Status Letter**

9.20.4.8.1 Written documentation that is obtained from the Internal Revenue Service as evidence of Subrecipient's tax exempt status. When Subrecipient is a non-profit entity, such evidence must reflect Subrecipient's tax exempt status. In the event Subrecipient's tax exempt status changes, Subrecipient shall provide County a copy of its new status within five (5) days of any change in its tax exempt status.

**9.20.4.9 Terms and Conditions of Use-User Agreement**

9.20.4.9.1 Each employee who will access the Contract Management System - Contractor's Gateway shall complete and submit this agreement. Additional information is available in Exhibit V (Contract Management System - Contractor's Gateway Terms and Conditions of Use).

**9.20.5 Reporting Documents**

**9.20.5.1 Intentionally Omitted**

**9.20.5.2 Closeout Reports**

9.20.5.2.1 This report shall adhere to the requirements outlined in Subparagraph 9.21.2 (Closeout Reporting Requirements).

**9.20.5.3 Other Reporting Documents**

9.20.5.3.1 From time-to-time, County or its designee(s) may request other documents relating to Subrecipient's performance, Work, and/or Services under this Subaward. County shall not be unreasonable in its request and Subrecipient shall adhere to County's request for such documents.

**9.21 FISCAL REPORTING REQUIREMENTS**

**9.21.1 Intentionally Omitted**

**9.21.2 Closeout Reporting Requirements**

9.21.2.1 The closeout is a process that takes place upon the expiration or termination of the period in which Program Services are provided which includes the end of the Subaward term, the end of the Fiscal Year or any other period when the Subaward is terminated. The purpose of closeout is to ensure that final reports are received and evaluated, allowable costs are determined and amounts due to either County or to Subrecipient are determined and payment arrangements made.

9.21.2.2 Subrecipient shall complete and submit a mandatory Closeout Report in the form and manner designated by County. The Closeout Report shall include the reporting of expenses and accruals incurred through the last day of the Fiscal Year or Program Year. County will notify Subrecipient of the deadline for submission of the Closeout Report.

9.21.2.3 Subrecipient must ensure that all invoices are submitted and finalized prior to the submission of its Closeout Report. County will not pay invoices that are received after Subrecipient has submitted the Closeout Report. Once County has reviewed and accepted Subrecipient's Closeout Report, the data reflected on the Closeout Report will be reported to State as final. Any subsequent revisions will require the written signature and authorization of Authorized Representative.

9.21.2.4 If this Subaward is terminated or cancelled prior to June 30th of any Fiscal Year, the Closeout Report shall be for that Subaward period which ends on the termination or cancellation date. Subrecipient shall submit the Closeout Report after the

termination/cancellation date in the manner and timeframe designated by County.

9.21.2.5 At the end of the funding cycle/during the closeout, Subrecipient shall ensure that all of the following items match:

9.21.2.5.1 The Subaward Sum allocated by line items on Subrecipient's final approved Budget(s), where the Subaward Sum is the funding allocated for any Fiscal Year under this Subaward and it is distributed using the line items/cost categories reflected in Subrecipient's final approved Budget(s).

9.21.2.5.2 The Grant Share, which is allocated by line items on Subrecipient's Closeout Report, where the Grant Share is the actual Subaward Sum that Subrecipient has budgeted by line items/cost categories on its organization's accounting/fiscal records (i.e., general ledgers, etc.).

9.21.2.5.3 The Amount Received by line item as reported on Subrecipient's Closeout Report, where the Amount Received is the actual Subaward Sum reimbursed to Subrecipient for its line items.

9.21.2.6 In the event that the line item amounts reflected as the Subaward Sum on the final approved Budget(s), the Grant Share on the Closeout, and the Amount Received on the Closeout do not match at the time of closeout, for purposes of the closeout only, County shall allow a maximum of ten percent (10%) variance between the Subaward Sum and Grant Share (specifically, the variance between the Subaward Sum line items reported on the final approved Budget(s) and the Grant Share line items reported on the Closeout Report).

9.21.2.6.1 For example, during the closeout, if the line item, Space, reflects a Subaward Sum of \$100 on the final approved Budget then the Grant Share amount reflected on the Closeout Report for Space shall be \$100, and the Amount Received reflected on the Closeout Report for Space shall be \$100. Alternatively, if the Subaward Sum for Space is reflected on the final approved Budget as \$100 but the Grant Share for Space is reflected on the Closeout Report as \$95 and the Amount Received for Space is reflected on the Closeout Report as \$95 then the \$5 variance (which is five percent (5%) of the Subaward Sum amount for the Space line item) is within the allowable ten percent (10%) variance.

9.21.2.7 Subrecipient shall ensure that the total Grant Share and the total Amount Received, which are reflected on the Closeout Report, do not exceed the total Subaward Sum reflected on the final approved Budget(s).

**9.21.3 Program Income Requirements (If Applicable)**

9.21.3.1 Program Income includes, but is not limited to:

9.21.3.1.1 Voluntary contributions received from Client or other party for Services received.

9.21.3.1.2 Income from usage or rental fees of real or personal property acquired with Subaward Sums.

9.21.3.1.3 Royalties received on patents and copyrights from Subaward-supported activities.

9.21.3.1.4 Proceeds from the sale of items created under this Subaward.

9.21.3.2 Subrecipient shall adhere to the Program Income requirements outlined herein and in Title 2 Code of Federal Regulations Part 200 et seq.

9.21.3.3 Subrecipient shall use Program Income to expand baseline Program Services.

9.21.3.4 Subrecipient shall report Program Income in Exhibit W (Budget) and shall expend Program Income under the same terms and conditions as the Subaward Sums from which it is generated.

9.21.3.5 Program Income shall be used to pay for current

allowable Program costs in the same Fiscal Year or Program Year that the Program Income is earned. If Program Income is earned in excess of the amount reported in Exhibit W (Budget) then County shall recapture the balance of the unexpended Program Income or pursue any other remedies available to County under this Subaward.

9.21.3.6 Subrecipient shall not use Program Income to meet the match contribution requirement of this Subaward.

9.21.3.7 Subrecipient shall provide a disposition of all Program Income received and expended as part of the Closeout reporting process in the form, manner and timeline as designated by County.

## **9.22 DATA UNIVERSAL NUMBERING SYSTEM (DUNS) AND SYSTEM FOR AWARD MANAGEMENT (SAM)**

9.22.1 County and Subrecipient acknowledge that this Subaward is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Subaward). Notwithstanding this acknowledgement, County and Subrecipient agree that pursuant to the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282) and Title 2 Code of Federal Regulations Part 25, Subrecipient shall be responsible for obtaining and maintaining a DUNS number from Dun and Bradstreet. The DUNS number is a unique nine-digit identification number and is site-specific. Therefore, each distinct physical location of Subrecipient's organization (such as branches, divisions, and headquarters) will have its own, unique DUNS number. Subrecipient may register for a DUNS number at <http://www.dnb.com/duns-number.html>. Subrecipient shall comply with the requirements outlined in this Subparagraph 9.22.

9.22.2 Subrecipient shall provide a valid DUNS number using Exhibit F (Subrecipient's Administration) and shall submit the completed Exhibit F (Subrecipient's Administration) in the time and manner as directed by County. Subrecipient must register the DUNS number and maintain an "Active" status within the federal System for Award Management available online at <https://www.sam.gov/portal/SAM#1>. If County cannot access or verify "Active" status for Subrecipient's DUNS information, which is related to this Subaward on the Federal Funding Accountability and Transparency Act Subaward Reporting System, County will notify Subrecipient and Subrecipient must immediately update the information as required.

9.22.3 Subrecipient's failure to adhere to applicable DUNS and SAM requirements may result in County imposing remedies as determined by County in its sole discretion.

## **9.23 UNUSUAL OCCURRENCES AND CRIME**

9.23.1 Unusual occurrences such as natural disasters (including earthquakes, floods, landslides, wildfires, extreme heat/cold), man-made emergencies (such as epidemic outbreaks, bio-terrorism, food-borne illness, fire, major accidents, death from unnatural causes or other catastrophes), and unusual occurrences which threaten the welfare, safety or health of



9.23.2 Crime related occurrences, such as theft or vandalism, must be reported by Subrecipient within twenty-four (24) hours to the local police or sheriff by filing a police report and to County by telephone, and in writing or by email. Subrecipient shall also prepare and retain an incident report on file, and shall include a copy of the filed police report.

9.23.3 Subrecipient shall maintain all incident reports in a manner consistent with Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement). Subrecipient shall furnish such other pertinent information related to such occurrence as the local authorities and/or County may require.

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

IN WITNESS WHEREOF, Subrecipient has executed this Subaward or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Subaward to be executed on its behalf by the Acting Director of Workforce Development, Aging and Community Services, on the day and year first above written. The person(s) signing on behalf of Subrecipient warrants under penalty of perjury that he or she is authorized to bind Subrecipient. Subrecipient and County acknowledge that this Subaward shall not be deemed to be active until such time that the document is executed by the respective authorized representatives of both Subrecipient and County.

**COUNTY OF LOS ANGELES**

By \_\_\_\_\_ Date \_\_\_\_\_  
Otto Solorzano, Acting Director  
County of Los Angeles  
Workforce Development, Aging  
and Community Services

**SUBRECIPIENT**

\_\_\_\_\_  
Office of the Los Angeles City Attorney  
Subrecipient's Legal Name  
\_\_\_\_\_  
DRP192008  
Subaward Number

By \_\_\_\_\_ Date \_\_\_\_\_  
Name of Authorized  
Representative  
\_\_\_\_\_  
Title  
\_\_\_\_\_  
Signature

Approved as to Form:

**OFFICE OF COUNTY COUNSEL**  
Mary C. Wickham, County Counsel

By \_\_\_\_\_  
Lawrence M. Green  
Deputy County Counsel

By \_\_\_\_\_ Date \_\_\_\_\_  
Name of Authorized  
Representative  
\_\_\_\_\_  
Title  
\_\_\_\_\_  
Signature

