# THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS ACTION AGENDA SUMMARY

CEO Concurs with Recommendation YES NO (Information Attached)	BOARD AGENDA # <u>*B-3</u> AGENDA DATE July 19, 2011 4/5 Vote Required YES NO
SUBJECT: Approval of Fiscal Year 2011-2012 Contract Renewals with t	the California Department of Education for the

Approval of Fiscal Year 2011-2012 Contract Renewals with the California Department of Education Administration of the Child Care and Development Block Grants

### STAFF RECOMMENDATIONS:

1. Approve the renewal of two contracts with the California Department of Education (CDE) for administration of Child Care and Development Block Grants.

2. Authorize the Community Services Agency Director, or her Assistant Director Designee, to sign the contracts that are included in this agenda item and any subsequent amendments to add services and payments for services, up to \$100,000 per agreement.

#### FISCAL IMPACT:

The annual amount of these two California Department of Education (CDE) contracts is \$6,296,655. Appropriations and estimated revenues totaling \$6,296,655 to support these agreements have been included in the Community Services Agency's 2011-2012 Adopted Proposed Budget. The Child Care Programs are 100% Federal and State funded. There is no cost to the General Fund for the Child Care contracts.

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No. 2011-437

On motion of Supervisor and approved by the follo		, Seconded by Supervisor <u>Withrow</u>
Ayes: Supervisors:	O'Brien, Chiesa, Withr	row, DeMartini, and Chairman Monteith
Noes: Supervisors:	Nono	
<b>Excused or Absent: Supe</b>	nvisors: None	
Abstaining: Supervisor:	Nono	
1) X Approved as I		
2) Denied		
3) Approved as a	amended	
4) Other:		
MOTION:		

ATTEST:

CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval of Fiscal Year 2011-2012 Contract Renewals with the California Department of Education for the Administration of the Child Care and Development Block Grants Page 2

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# **DISCUSSION:**

Effective January 1, 1998, the Personal Responsibility and Work Opportunity Reconciliation Act consolidated all former Aid to Families with Dependent Children (AFDC) related Child Care programs into a new three-stage Child Care system in order to serve current and former recipients of Temporary Aid to Needy Families (TANF).

Eligibility for Stage 1 Child Care occurs when a parent enters CalWORKs (California's cash assistance program), and is working or starting Welfare to Work activities. Stage 1 funding is administered by the California Department of Social Services and is part of the CalWORKs allocation. Eligible families then transition from Stage 1 Child Care to Stage 2 Child Care once they become "stable". A family is considered to be "stable" when a Child Care provider has been selected, all paper work has been completed, and the recipient is participating in Welfare to Work activities.

Child Care funding for Stages 2 and 3 is administered by the California Department of Education (CDE), and is used to assist CalWORKs families who are transitioning off cash aid by allowing them to remain employed and off cash assistance. In order for current and former CalWORKs families to remain eligible for Stages 2 and 3 Child Care, they must be working, be within certain income limits, and have children who meet specific age requirements. In March 2011, Senate Bill (SB) 70 enacted the elimination of subsidized Child Care for 11 and 12 year-old children, with some exceptions.

The Community Services Agency receives program contracts from CDE to fund Stages 2 and 3 Child Care. The Agency administers these Alternative Payment programs, and generates payments for eligible families directly to the Child Care providers. The Agency submits monthly and quarterly claims to the CDE for reimbursement of funds.

Stage 2 funds will be used for CalWORKs families determined to be "stable" and moved seamlessly (families will have some eligibility requirements and should notice no major differences). A family can remain in Stage 2 Child Care while participating in Welfare to Work activities, up to 24 months from cash aid discontinuance. After a family has "timed-out" (reached the end of their 24-month Stage 2 time limit), they are moved to Stage 3 Child Care, if sufficient funding is available. As of May 2011, 1,110 children were enrolled in Stage 2 Child Care.

Families funded through Stage 3 funds can remain there until either the family earns too much money to qualify for the program, or all children reach the age of 11 years. As of May 2011, 69 children were enrolled in Stage 3 Child Care.

Approval of Fiscal Year 2011-2012 Contract Renewals with the California Department of Education for the Administration of the Child Care and Development Block Grants Page 3

Contract stage/type, contract numbers, and contract funding amounts are as follows:

Stage/Type	Contract Number	<b>Contract Amount</b>
2	C2AP - 1069	\$ 5,707,615
3	C3AP - 1067	\$ 589,040

Total Contracts \$6,296,655

Overall, these two contracts, totaling \$6,296,655, will allow the Agency to provide Child Care services to approximately 1,473 children each month. At this time, these contracts will provide adequate revenue to maintain projected service levels through Fiscal Year 2011-2012.

Renewal of the CDE contracts for Stages 2 and 3 will provide Child Care services to children whose parents are transitioning off TANF Assistance by: 1) seeking employment, or enroll in an employment/training program; 2) maintaining current employment in either a subsidized or non-subsidized position; or 3) having a link to CalWORKs through receipt of a lump sum Diversion cash assistance payment thereby providing access to the Child Care program.

The Agency recommends accepting these two CDE Child Care and Development Alternative Payment contracts effective July 1, 2011 through June 30, 2012.

# POLICY ISSUE:

Approval of this request supports the Board's priority of Efficient Delivery of Public Services by providing payments for Child Care services received by working and low-income recipient families at risk of becoming dependent on public assistance.

# **STAFFING IMPACT:**

There is no staffing impact associated with this request.

# **CONTACT PERSON:**

Christine C. Applegate, Director 558-2500



CALIFORNIA DEPARTMENT OF EDUCATION

Sacramento, CA 95814-5901

1430 N Street

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES

**F.Y.** 11 - 12

DATE: July 01, 2011

CONTRACT NUMBER: <u>C2AP-1069</u> PROGRAM TYPE: <u>ALTERNATIVE</u> <u>PAYMENT-STAGE 2</u>

PROJECT NUMBER: 50-2250-00-1

#### CONTRACTOR'S NAME: STANISLAUS COUNTY COMMUNITY SERVICES AGENCY

By signing this contract and returning it to the State, you are agreeing to provide services in accordance with the CalWORKs STAGE 2 CHILD CARE AND DEVELOPMENT FUND - FUNDING TERMS AND CONDITIONS (FT&C - available on line at http://www.cde.ca.gov/fg/aa/cd/), and the CURRENT APPLICATION and the current county CalWORKs Stage 2 Implementation Plan which are by this reference incorporated into this contract. The FT&C and Requirements specify the contractual responsibilities of the State and the contractor. The contractor's signature also certifies compliance with "General Terms and Conditions," (GTC-610/Exhibit A) which are attached hereto and by this reference incorporated herein.

Funding of this contract is contingent upon appropriation and availability of sufficient funds. This contract may be terminated immediately by the State if funds are not appropriated or available in amounts sufficient to fund the State's obligations under this contract.

The period of performance for this contract is July 01, 2011 through June 30, 2012. For satisfactory performance of the required services, the contractor shall be reimbursed in accordance with the Determination of Reimbursable Amount Section of the FT&C, for the Maximum Reimbursable Amount (MRA) of \$5,707,615.00.

#### SERVICE REQUIREMENTS

Minimum Days of Operation (MDO) Requirement

241

Any provision of this contract found to be in violation of Federal or State statute or regulation shall be invalid but such a finding shall not affect the remaining provisions of this contract.

Exhibit A, General Terms and Conditions attached.

APPROVED AS TO FORM:
STANISLAUS COUNTY COUNSEI
BY/L.
IMMK
( MVV ) /
DATE: 611514
DATE - M - I - S

STATE	OF CALIFORNIA	CONTRACTOR						
B) (AUTHORIZED SIGNATURE)	Anne		BY (AUTHORIZED SIGNATURE) Missine C. Applegate 7/21/11					
PRINTED NAME OF PERSONSIGNING Margie Burke, Manager				C. Applega	sign <b>ic</b> ate - Director			
Contracts, Purchasing &	Conference Services		ADDRESS PO Box 42, Modesto, CA 95353					
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 5,707,615 PRIOR AMOUNT ENCUMBERED FOR	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs (OPTIONAL USE) 0656	;	FUND TITLE General		Department of General Services use only			
THIS CONTRACT \$ 0	23367-2250 ITEM 30.10.020.011 6110-196-0001	CHAPTER B/A	STATUTE 2011	FISCAL YEAR 2011-2012				
TOTAL AMOUNT ENCUMBERED TO DATE \$ 5,707,615	OBJECT OF EXPENDITURE (CODE AND TITLE) . 702 SACS: Res-6041 Rev-8590							
I hereby certify upon my own personal know purpose of the expenditure stated above.	wedge that budgeted funds are available for the	period and	T.B.A. NO.	B.R. NO.				
SIGNATURE OF ACCOUNTING OFFICER	bark		DATE	0 6 2611				

#### GTC 610

#### EXHIBIT A

#### **GENERAL TERMS AND CONDITIONS**

1. <u>APPROVAL</u>: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

2. <u>AMENDMENT</u>: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. <u>ASSIGNMENT</u>: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. <u>AUDIT</u>: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

5. <u>INDEMNIFICATION</u>: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

6. <u>DISPUTES</u>: Contractor shall continue with the responsibilities under this Agreement during any dispute.

7. <u>TERMINATION FOR CAUSE</u>: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand. 8. <u>INDEPENDENT CONTRACTOR</u>: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. <u>RECYCLING CERTIFICATION</u>: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. <u>NON-DISCRIMINATION CLAUSE</u>: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. <u>CERTIFICATION CLAUSES</u>: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. <u>TIMELINESS</u>: Time is of the essence in this Agreement.

13. <u>COMPENSATION</u>: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. <u>GOVERNING LAW</u>: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. <u>ANTITRUST CLAIMS</u>: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

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a. The Government Code Chapter on Antitrust claims contains the following definitions:
1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. <u>CHILD SUPPORT COMPLIANCE ACT</u>: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. <u>UNENFORCEABLE PROVISION</u>: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. <u>PRIORITY HIRING CONSIDERATIONS</u>: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

#### 19. <u>SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING</u> <u>REQUIREMENTS</u>:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code  $\S$  14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

#### 20. LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

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CALIFORNIA DEPARTMENT OF EDUCATION

1430 N Street Sacramento, CA 95814-5901

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES

# **F.Y.** 11 - 12

DATE: July 01, 2011

CONTRACT NUMBER: <u>C3AP-1067</u> PROGRAM TYPE: <u>ALTERNATIVE</u> PAYMENT-STAGE 3

PROJECT NUMBER: <u>50-2250-00-1</u>

#### CONTRACTOR'S NAME: STANISLAUS COUNTY COMMUNITY SERVICES AGENCY

By signing this contract and returning it to the State, you are agreeing to provide services in accordance with the CalWORKs STAGE 3 (Time Out) CHILD CARE AND DEVELOPMENT FUND - FUNDING TERMS AND CONDITIONS (FT&C - available online at http://www.cde.ca.gov/fg/aa/cd/) and the CURRENT APPLICATION which are by this reference incorporated into this contract. The FT&C and Requirements specify the contractual responsibilities of the State and the contractor. The contractor's signature also certifies compliance with "General Terms and Conditions," (GTC-610/Exhibit A) which are attached hereto and by this reference incorporated herein.

Funding of this contract is contingent upon availability of sufficient funds. This contract may be terminated immediately by the State if funds are not appropriated or available in amounts sufficient to fund the State's obligations under this contract.

The period of performance for this contract is July 01, 2011 through June 30, 2012. For satisfactory performance of the required services, the contractor shall be reimbursed in accordance with the Determination of Reimbursable Amount Section of the FT&C, for the Maximum Reimbursable Amount (MRA) of \$589,040.00.

SERVICE REQUIREMENTS

Minimum Days of Operation (MDO) Requirement

241

Any provision of this contract found to be in violation of Federal or State statute or regulation shall be invalid but such a finding shall not affect the remaining provisions of this contract.

Exhibit A, General Terms and Conditions attached.

APPROVED AS TO FORM: STANISLAUS COUNTY COUNSEL B

STATE (	OF CALIFORNIA		CONTRACTOR					
BY (AUTRORIZED SIGNATURE)	intre	E	manthorized sic	BNATURE)	legate 7/21/11			
PRINTED NAME OF PERSON SIGNING Margie Burke, Manager	$\sum$		PRINTED NAME AND TITLE OF PERSON SIGNING Christine C. Applegate - Director					
Contracts, Purchasing &	Conference Services		ADDRESS PO Box 42,	, Modesto,	CA 95353			
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 589,040 PRIOR AMOUNT ENCUMBERED FOR	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs (OPTIONAL USE) See Attached	3	FUND TITLE		Department of General Services use only			
THIS CONTRACT  \$ 0 TOTAL MACHINE ENGINEERED TO	ITEM See Attached	CHAPTER	STATUTE	FISCAL YEAR				
TOTAL AMOUNT ENCUMBERED TO DATE \$ 589,040	OBJECT OF EXPENDITURE (CODE AND TITL 702							
I hereby certify upon my own personal know purpose of the expenditure stated above.	wiedge that budgeted funds are available for the p	period and	T.B.A. NO.	B.R. NO.				
SIGNATURE OF ACCOUNTING OFFICER See Attached	3		DATESES	) 🖸 2011				

# CONTRACTOR'S NAME: STANISLAUS COUNTY COMMUNITY SERVICES AGENCY

# CONTRACT NUMBER: C3AP-1067

AMOUNT ENCUMBERED BY THIS DOCUMENT	PROGRAM/CATEGORY (CODE AN	ID TITLE)		FUND TITLE	
\$ 469,778	Child Development Pr	ograms		Federal	
PRIOR AMOUNT ENCUMBERED	(OPTIONAL USE)0656	FC# 93.575		PC# 000324	
\$ 0	13881-2250				
TOTAL AMOUNT ENCUMBERED TO DATE \$ 469,778	итем 30.10.020.012 6110-196-0890		CHAPTER B/A	STATUTE 2011	FISCAL YEAR 2011-2012
	OBJECT OF EXPENDITURE (CODE 702 SAC		8200		
and a start and a start	702 SAC	CS: Res-5062 Rev-	-0290		
AMOUNT ENCUMBERED BY THIS DOCUMENT	PROGRAM/CATEGORY (CODE AN			FUND TITLE	
		D TITLE)		FUND TITLE General	
AMOUNT ENCUMBERED BY THIS DOCUMENT	PROGRAM/CATEGORY (CODE AN	D TITLE)			
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 119,262	PROGRAM/CATEGORY (CODE AN Child Development Pr	D TITLE)			
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 119,262	PROGRAM/CATEGORY (CODE AN Child Development Pr (OPTIONAL USE)0656	D TITLE)	CHAPTER B/A		FISCAL YEAR 2011-2012

I hereby on the expenditure stated above.	T.B.A. NO.	B.R. NO.
SUSNATURE OF ACCOUNTING OFFICER	DATE SEP 0	2011

#### GTC 610

#### EXHIBIT A

#### **GENERAL TERMS AND CONDITIONS**

1. <u>APPROVAL</u>: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

2. <u>AMENDMENT</u>: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. <u>ASSIGNMENT</u>: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. <u>AUDIT</u>: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

5. <u>INDEMNIFICATION</u>: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

6. <u>DISPUTES</u>: Contractor shall continue with the responsibilities under this Agreement during any dispute.

7. <u>TERMINATION FOR CAUSE</u>: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand. 8. <u>INDEPENDENT CONTRACTOR</u>: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

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9. <u>RECYCLING CERTIFICATION</u>: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. <u>NON-DISCRIMINATION CLAUSE</u>: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. <u>CERTIFICATION CLAUSES</u>: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. <u>TIMELINESS</u>: Time is of the essence in this Agreement.

13. <u>COMPENSATION</u>: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. <u>GOVERNING LAW</u>: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. <u>ANTITRUST CLAIMS</u>: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. <u>CHILD SUPPORT COMPLIANCE ACT</u>: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. <u>UNENFORCEABLE PROVISION</u>: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. <u>PRIORITY HIRING CONSIDERATIONS</u>: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

### 19. <u>SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING</u> <u>REQUIREMENTS</u>:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code  $\S$  14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

#### 20. LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

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