



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Award Contract Grant

Requested Board Meeting Date: August 7, 2018

** = Mandatory, information must be provided*

or Procurement Director Award

***Contractor/Vendor Name/Grantor (DBA):**

Arizona Department of Economic Security (AZDES)

***Project Title/Description:**

AZDES - Employment and Training Program Workforce Innovation and Opportunity Act (WIOA)

***Purpose:**

The program provides WIOA services to adults, youth and dislocated workers who are seeking employment or job skills training that can lead to employment. Services include case management, training and support services to assist adult, youth and dislocated worker job seekers in finding employment. This is a five year grant.

Attachment: Contract Number DI19-002205

***Procurement Method:**

Not applicable.

***Program Goals/Predicted Outcomes:**

Unemployed Adults, Youth and Dislocated Workers will attain full-time employment status.

***Public Benefit:**

Fewer unemployed individuals in Pima County mean decreased reliance on public benefits and a more self-sufficient population.

***Metrics Available to Measure Performance:**

Monthly and quarterly reports to the Grantor.

***Retroactive:**

Yes, the County received the agreement from AZDES on June 22, 2018. After several language changes, the final version was received on June 25, 2018. If the agreement is not approved, unemployed individuals in Pima County would not receive services to help them attain full-time employment.

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$* _____ Revenue Amount: \$ _____

***Funding Source(s) required:**

Funding from General Fund? Yes No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? Yes No

If Yes, is the Contract to a vendor or subrecipient?

Were insurance or indemnity clauses modified? Yes No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? Yes No

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Amendment No.: _____ AMS Version No.: _____

Effective Date: _____ New Termination Date: _____

Prior Contract No. (Synergen/CMS): _____

Expense or Revenue Increase Decrease Amount This Amendment: \$ _____

Is there revenue included? Yes No If Yes \$ _____

***Funding Source(s) required:**

Funding from General Fund? Yes No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) Award Amendment

Document Type: GTAW Department Code: CS Grant Number (i.e., 15-123): 18-88

Effective Date: 7/1/18 Termination Date: 6/30/23 Amendment Number: _____

Match Amount: \$ _____ Revenue Amount: \$ 7,420,309.00

***All Funding Source(s) required:** Arizona Dept of Economic Security (AZDES)

*Match funding from General Fund? Yes No If Yes \$ _____ % _____

*Match funding from other sources? Yes No If Yes \$ _____ % _____

***Funding Source:** _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?** Passed through the AZDES.

Contact: Rise Hart

Department: Community Services

Telephone: 724-5723

Department Director Signature/Date: *Charles Ray* 7/9/18

Deputy County Administrator Signature/Date: *[Signature]* 7/18/18

County Administrator Signature/Date: *C. Duttschney* 7/19/18

INTERGOVERNMENTAL AGREEMENT (IGA)

Agreement between the Arizona Department of Economic Security ("ADES") and the Pima County Board of Supervisors ("Contractor").

WHEREAS ADES is duly authorized to execute and administer contracts under A.R.S § 41-1954 and,

The Contractor is authorized by A.R.S. §§ 11-254.04, 11-251 (5), 11-251 (17), and 11-267 to appropriate and spend public monies for and in connection with activities that the County Board of Supervisors finds and determines will assist in the improvement or enhancement of the economic welfare or health of the inhabitants of Pima County and/or provide needed services to disabled persons and/or persons sixty years of age or older and,

ADES and the Contractor are authorized by A.R.S. § 11-952 et seq. to enter into agreements for joint or cooperative action to contract for the services specified in this Agreement.

The term of this Agreement shall begin on July 1, 2018 and shall end on June 30, 2023, unless otherwise amended.

THEREFORE, ADES and Contractor (the "Parties") agree to abide by all the terms and conditions set forth in this Agreement.

BY SIGNING THIS FORM ON BEHALF OF A PARTY, THE SIGNATORY CERTIFIES POSSESSING THE AUTHORITY TO BIND THE PARTY TO THIS AGREEMENT.

FOR AND ON BEHALF OF THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY:

FOR AND ON BEHALF OF THE PIMA COUNTY BOARD OF SUPERVISORS:

<hr/> Procurement Officer Signature	<hr/> Chairman, Board of Supervisors
<hr/> Printed Name	<hr/> Date
<hr/> Title	ATTEST: <hr/> Clerk of the Board of Supervisors
<hr/> Date	<hr/> Date
<hr/> DI19-002205 ADES Contract Number	<hr/> Contract Number

IN ACCORDANCE WITH A.R.S. § 11-952, THIS AGREEMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

By: _____
Assistant Attorney General

By:  **KELL OLSON**
 For *Karen S. Friar, Public Agency Legal Counsel*

Date: _____

Date: _____

1.0 ADES VISION AND MISSION STATEMENTS

- 1.1 ADES Vision: All Arizonans who qualify receive timely DES services and achieve their potential.
- 1.2 ADES Mission: The Arizona Department of Economic Security makes Arizona stronger by helping Arizonans reach their potential through temporary assistance for those in need, and care for the vulnerable.

2.0 PURPOSE OF AGREEMENT

- 2.1 The purpose of this agreement is to provide Workforce Innovation and Opportunity Act (WIOA) Title I services to eligible Adults, Dislocated Workers, and Youth throughout the designated Local Workforce Development Area (LWDA). These services will be provided in accordance with Federal and State regulations and the most current Local Plan.

3.0 PROGRAM ELIGIBILITY

- 3.1 Program eligibility will be conducted on each applicant prior to the provision of services. Eligibility will include determination of family size, family income for the previous six-month period, educational status, and identification of any barriers or issues that impact attaining and/or retaining employment. Services shall comply with the Workforce Innovation and Opportunity Act as amended and applicable Federal and State regulations.

4.0 SERVICE DESCRIPTION

- 4.1 Adult and Dislocated Workers:
 - 4.1.1 Provided to WIOA Title I eligible Adults and Dislocated Workers, as appropriate to meet the individual's needs, may include Career Services and/or Training Services.
- 4.2 Rapid Response:
 - 4.2.1 Provided to Dislocated Workers upon notification of a pending layoff or plant closure to inform them of available WIOA Title I services and other services available in the community to assist them in transitioning from the layoff employer to other employment or training opportunities.
- 4.3 Youth:
 - 4.3.1 Provided to WIOA Title I eligible Youth, who are either in-school, ages fourteen to twenty-one (14-21) (unless an individual with a disability who is attending school under State law) or out-of-school, ages sixteen to twenty-four (16-24). Expenditures for in-school youth shall not exceed 25% of all Youth funds available.
- 4.4 The expenditures for all Programs will comply with 2 CFR 200; Public Law, 113-128 of the 113th Congress described as the Workforce Innovation and Opportunity Act and Federal and State regulations and guidelines under the WIOA Title I Federal Allotments.

5.0 RESPONSIBILITIES

- 5.1 ADES and the Contractor agree as follows:
- 5.2 The Contractor shall:
 - 5.2.1 Provide WIOA Title I services to eligible Adults, Dislocated Workers, and Youth throughout the designated LWDA. These services will be provided in accordance with Federal and State regulations and the most current Local Plan.
 - 5.2.2 Meet all negotiated performance levels for all performance measures contained in the Contractor's Local Plan. Failure to meet any of the performance measures may result in ADES issuing a Demand for Assurance, which may require a written corrective action plan from the Contractor.
 - 5.2.3 Complete the requirements stated in the Demand for Assurance, including the corrective action plan, by the timeframe prescribed by ADES, failure to complete shall result in the immediate suspension of the Contractor's authority to receive payment under this Agreement. Such authority shall not be reinstated until the Contractor submits, and ADES approves, a revised corrective action plan or submits documentation to show that the issues identified in the Demand for Assurance have been addressed.
 - 5.2.4 Comply with the approved Demand for Assurance response. If not in compliance, ADES will proceed with remedies as authorized under this agreement up to and including sanctions.
 - 5.2.5 Be held responsible for meeting performance measures. If the Contractor fails the same performance measure in two consecutive years, ADES may impose sanctions up to and including withholding WIOA Title I funding as authorized under this Agreement.
 - 5.2.6 Send a written notice in accordance with the "Notices Section" of this Agreement, if the Contractor wishes to transfer funds in accordance with the ADES Policy and Procedure Manual – Workforce Innovation and Opportunity Act, section 400.

5.2.7 The Contractor shall give written notice in accordance with the "Notices Section" of this Agreement, if the Contractor wishes to shift Administrative funds to Program funds, however, the shift must be within the same funding source. The Contractor must provide justification for the change and ADES must approve the change. Any such increase must be offset by an equal value decrease within the same funding source. A written amendment shall not be required to effect these changes, however, any change to the service reimbursement ceiling shall be reflected in an agreement amendment.

6.0 EXTENSION

This agreement may be extended through a written amendment by mutual agreement of the parties.

7.0 TERMINATION

7.1 This agreement may be terminated by mutual agreement of the parties at any time during the term of this agreement.

7.2 Each party shall have the right to terminate this agreement by hand-delivering to the other party written notice of termination at least thirty (30) days prior to the effective date of said termination.

8.0 AMENDMENTS

8.1 This Agreement may be amended at any time by mutual written agreement. No agent, employee or other representative of either Party is empowered to alter any of the terms of the Agreement, unless amended in writing and signed by the authorized representative of the respective Parties.

8.2 Either party shall give written notice to the other party of any non-material alteration that affects the provisions of this Agreement. Non-material alterations that do not require a written amendment are as follows:

8.2.1 Change of telephone number;

8.2.2 Change in authorized signatory; and/or

8.2.3 Change in the name and/or address of the person to whom notices are to be sent.

9.0 MANNER OF FINANCING

9.1 WIOA Title I CFDA #17.258 (Adult): CFDA #17.278 (Dislocated Worker): CFDA #17.259 (Youth)

9.2 PERIOD OF AVAILABILITY FOR EXPENDITURE OF WIOA TITLE I FUNDS

9.2.1 The Contractor agrees that Pursuant to 20 CFR 683.110, funds allocated by a State to a local area under subpart- A sections 128(b) and 133(b), for any Program year are available for expenditure only during that program year and the succeeding program year. Funds that are not expended by a local area in the two-year period described in paragraph (b) (1) of section 128 (b) and 133(b) of the Workforce Innovation and Opportunity Act shall be returned to the State. Funds so returned are available for expenditure by State and local recipients and sub recipients only during the third program year of availability. These funds may be used for statewide projects, or distributed to other local areas, which had fully expended their allocation of funds for the same program year within the two- year period.

9.2.2 The period of availability for funds allocated under this Contract is identified in Attachment B, Allocation by Program & Fiscal Year. Reimbursement shall not exceed the allocations identified in Attachment B.

9.2.3 All final expenditure reports and cash draw requests for the Local Area Formula Funds shall be submitted per Attachment B. No extensions shall be granted to the requirement to submit the final expenditure and cash draw requests.

9.3 RESCISSION OF FUNDS

If the Federal Funding Source informs the State that it is rescinding funding from the State and where the State must in turn rescind from a Contractor(s) who may hold one or more agreements for services funded under the specified Federal Funding Source, the State may take action in the following sequence

9.3.1 Rescind the required amount of funds from unexpended funds to the designated previous period(s) of time.

9.3.2 Rescind the required amount of funds from unexpended funds to the designated current period(s) of time.

9.3.3 Decrease the required amount of funds from funds from a designated future period(s) of time.

10.0 REPORTING REQUIREMENTS

10.1 Per Attachment B, the Contractor shall submit to ADES a final financial closeout packet.

10.2 Unless otherwise provided in this agreement, reporting shall adhere to the following schedule: No later than the 30th day following each month in which services were provided during the contract term, the Contractor shall submit financial reports to ADES in the form set forth within the contract.

10.3 Submit ETA 9130 Quarterly Report within thirty (30) days after the end of the quarter.

- 10.4 Failure to submit accurate and complete reports by the 30th day following the end of a month may result, at the option of ADES, in retention of payment. Failure to provide such report within 30 days following the end of a month may result, at the option of ADES, in a forfeiture of such payment.
- 10.5 **THE CONTRACTOR SHALL PROVIDE ADES THE FOLLOWING REPORTS:**
- 10.5.1 Contractor Monthly Expenditure and Cash Draw Reports and Detailed Expenditure Breakdown. This is the only format that will be accepted for reporting accrued expenditures.
- 10.5.2 ETA 9130 Quarterly Reports
- 10.5.3 All reports are available from the contact information located in 10.6.
- 10.6 All Reports shall be sent to:
WIOAFiscalReports@azdes.gov

11.0 PAYMENT REQUIREMENTS

- 11.1 Contractor Monthly Expenditure and Cash Draw Reports and Detailed Expenditure Breakdown shall be submitted by the 30th day of the month following the month services were provided.

12.0 NOTICES

- 12.1 All notices to the Contractor regarding this agreement shall be sent to the following address:

Pima County
ATTN: Arnold Palacios
2797 E. Ajo Way
Tucson, AZ 85713

- 12.2 All notices to ADES regarding this agreement shall be sent to the following address:

Arizona Department of Economic Security
ATTN: WIOA Fiscal Unit
Mail Drop: 5112
1789 W. Jefferson Street
Phoenix, AZ 85007
Phone (602) 542-2474

13.0 DISPOSITION OF PROPERTY

- 13.1 **Transfer/Surplus of Equipment with a Property Value less than \$5,000**
Items of equipment with a current per unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency. If property is deemed worthless, documentation must be provided to establish this fact. Property may not be donated to another agency unless it is worthless. An appraiser may establish value. The Equipment Transfer/Surplus Request (J-320) disposition record must be kept for any transaction in accordance with EA/WIOA Section record retention requirements and WIOA Inventory Equipment Database or other internal inventory system annotated accordingly. The Contractor and/or service provider may sell the property and retain the proceeds for use in WIOA programs or divided in accordance with terms of local agency cost sharing agreement.
- 13.2 **CALCULATION OF "FAIR MARKET VALUE"**
The selling price of an item that is sold through auction, advertisement, or a dealer is the fair market value of the item regardless of any prior estimates. An item that is not sold but retained by the Contractor and/or service provider has a fair market value based on similar items that are offered for sale, using the selling price if known.
- 13.3 **PROPERTY RECORDS RETENTION**
All property records must be maintained from date of acquisition, through final disposition. The Contractor and/or service providers must also retain these records for a period of five (5) years from the date of their last expenditure report. If any litigation, claim, negotiation, or audit is started before the expiration of the five (5) year period, all records related to this agreement must be retained until all findings have been resolved and final action taken or until the end of the regular five (5) year period, whichever is later.

13.4 INVENTORY RECORDS

The Contractor and/or service providers must maintain accurate inventory records of expendable leased/purchased (value \$2,000.00 to \$4,999.99), and non-expendable leased/purchased equipment \$5,000 or more with WIOA funds. Property records must include:

- a) Asset Number
- b) Item Description
- c) Manufacturer
- d) Serial Number
- e) Acquisition Date
- f) Physical Location
- g) Total Item Cost.

The Contractor and service providers are required to submit an inventory report for all property leased/purchased with WIOA funds costing more than \$2,000.00 to the WIOA Section, Fiscal Manager by August 1 of each year.

13.5 Prior Approval Equipment with a Property Value \$5,000 or more

Before allocating WIOA funds for any non-expendable tangible property purchase (including software purchases) with a "per unit" cost of \$5,000 or more, or total purchase cost exceeds \$10,000, the Contractor and/or service provider must complete a "WIOA Pre-Approval of Equipment & Vehicles \$5,000 or More Questionnaire" form that must be signed by the Contractor Director or Designee.

13.5.1 The signed form must be forwarded to the WIOA Section Finance Manager for review, approval or disapproval action.

13.5.2 When an approval decision is rendered, the WIOA Section Finance Manager will return the signed questionnaire to the Contractor Director or Designee. Upon receipt of the signed and approved questionnaire, the Contractor can proceed to purchase the equipment or property.

13.5.3 When a decline decision is rendered, the WIOA Section Finance Manager will specify the reason for disapproval and return the signed questionnaire to the LWIOA Director. The LWIOA may appeal this decision to the WIOA Section Finance Manager.

14.0 MONITORING

14.1 ADES will monitor the Contractor and /or subcontractor(s) who shall cooperate in the monitoring of services delivered; facilities; records maintained and fiscal practice. The Contractor must conduct regular oversight and monitoring of its WIOA activities and those of its sub-recipients in accordance with 20 CFR 683.410 and in accordance with the uniform administrative requirements at 29 CFR parts 95 and 97.

15.0 APPLICABLE LAW

15.1 This agreement shall be governed and interpreted by the laws of the State of Arizona. The materials and services supplied under this agreement shall comply with all applicable Federal, State and local laws, and the Contractor shall maintain all applicable licenses and permit requirements.

16.0 ARBITRATION

16.1 The Parties to this agreement agree to resolve all disputes arising out of or relating to this agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. §§ 12-1518(B) and 12-133, except as may be required by other applicable statutes.

17.0 AUDIT

17.1 All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce the original of any or all such records. Records retention shall be in accordance with WIOA Grant requirements; this requirement is in addition to any other record retention obligations the Contractor may have under any other law.

18.0 CONFLICT OF INTEREST

18.1 In accordance with A.R.S. § 38-511, either party may within three (3) years after execution terminate the agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of either party, at any time while the agreement is in effect, becomes an employee or agent of any other party to the agreement in any capacity or a consultant to any other party to the agreement with respect to the matter of the agreement.

19.0 E-VERIFY

19.1 In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with A.R.S. § 23-214, Subsection A.

20.0 FEDERAL IMMIGRATION AND NATIONALITY ACT

20.1 By entering into the agreement, the Contractor warrants compliance with the Federal Immigration and Nationality Act. (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the agreement. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Agreement. I-9 forms are available for download at USCIS.GOV.

20.2 The State may request verification of compliance for any Contractor or subcontractor performing work under the agreement. Should the State suspect or find that the Contractor or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to suspension of work, termination of the agreement for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

21.0 INDEMNIFICATION:

Each party (as "Indemnitor") agrees to defend, indemnify, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers. The State of Arizona, Department of Economic Security is self-insured per A.R.S. 41-621.

In addition, should Pima County utilize a contractor(s) and subcontractor(s) the indemnification clause between Pima County and its contractor(s) and subcontractor(s) shall include the following:
To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the Pima County and the State of Arizona, and any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and its departments, agencies, boards, commissions, universities, , officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. Additionally on all applicable insurance policies, contractor and its subcontractors shall name the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as an additional insured and also include a waiver of subrogation in favor of the State.

21.1 INSURANCE REQUIREMENTS FOR GOVERNMENTAL PARTIES TO AN IGA

- None

21.2 INSURANCE REQUIREMENTS FOR ANY CONTRACTORS USED BY A PARTY TO THE INTERGOVERNMENTAL AGREEMENT

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.)
The *insurance requirements* herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional insurance.

21.3 MINIMUM SCOPE AND LIMITS OF INSURANCE

Contractor shall provide coverage with limits of liability not less than those stated below.

21.3.1 Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$ 50,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

21.3.2 Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

- a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

21.4.1 Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
- Each Accident \$1,000,000
- Disease – Each Employee \$1,000,000
- Disease – Policy Limit \$1,000,000

- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

21.4 ADDITIONAL INSURANCE REQUIREMENTS

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- 21.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by ADES, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
- 21.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

21.5 NOTICE OF CANCELLATION

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to ADES and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

21.6 ACCEPTABILITY OF INSURERS

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

21.7 VERIFICATION OF COVERAGE

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

- 21.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.
- 21.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- 21.7.3 All certificates required by this Contract shall be sent directly to ADES. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

21.8 SUBCONTRACTORS

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. ADES reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

21.9 APPROVAL AND MODIFICATIONS

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment, but may be made by administrative action.

21.10 EXCEPTIONS

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or

subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

22.0 IT 508 COMPLIANCE

22.1 Unless specifically authorized in the agreement, any electronic or information technology offered to the State of Arizona under this agreement shall comply with A.R.S. §§ 18-131 and 18-132 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

23.0 NON-AVAILABILITY OF FUNDS

23.1 In accordance with A.R.S. § 35-154, every payment obligation of the State under the agreement is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this agreement, this agreement may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

24.0 NON-DISCRIMINATION

24.1 The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

25.0 OFFSHORE PERFORMANCE OF WORK PROHIBITED

25.1 Due to security and identity protection concerns, direct services under this agreement shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the agreement. This provision applies to work performed by subcontractors at all tiers.

26.0 PARTICIPATION IN BOYCOTT OF ISRAEL

26.1 Contractor warrants it is not engaged in a boycott of Israel as defined by A.R.S. § 35-393.01.

27.0 RIGHT OF OFFSET

27.1 ADES shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by ADES, or damages assessed by ADES concerning the Contractor's non-conforming performance or failure to perform the agreement, including expenses, costs and damages.

28.0 THIRD- PARTY ANTITRUST VIOLATIONS

28.1 The Contractor assigns to ADES any claim for overcharges resulting from antitrust violations concerning materials or services supplied by third parties to the Contractor, toward fulfillment of this agreement.

29.0 ATTACHMENTS

29.1 The following list of attachments constitutes an integral part of subject agreement:

29.1.1 Attachment A – Sanction Schedule

29.1.2 Attachment B – WIOA Allocation by Program and Fiscal Year

30.0 SANCTIONS AND CORRECTIVE ACTIONS

30.1 ADES may issue Demand for Assurance notices to the Contractor for failure to comply with any of the conditions, requirements or clauses contained in this agreement. This Demand for Assurance shall include the citation from the agreement that ADES requires the Contractor to remedy, the required time frame for a response from the Contractor, what required documents shall be sent with the response and to whom the response shall be sent. Failure to comply with the requirements set forth in the Demand for Assurance, and any corrective action agreed to by ADES, may result in the actions outlined in Section 30.2.1 and 30.2.2

30.2 Pursuant to 20 CFR 683.700, ADES may impose sanctions and corrective actions on recipients and sub recipients of WIOA grant funds as follows:

1. Except for actions under WIOA section 188(a) ADES uses the initial and final determination procedures outlined in 20 CFR 683.440 to impose a sanction or corrective action. To impose a sanction or corrective action for a violation of WIOA section 188(a) ADES will use the procedures set forth in that regulatory part.
2. ADES may impose sanctions or corrective action for noncompliance with the uniform administrative requirements set forth under section 184(b) (1) and 20 CFR 683.700 Sanctions or corrective action will be applied for substantial violations of WIOA statutory and regulatory requirements, if the Governor fails to promptly take the actions specified in WIOA sections 184(b)(1), the Grant Officer may impose such actions directly against the local area. The Grant Officer may also impose a sanction directly against a sub recipient, as authorized in section 184(d) (3) of the Act.

30.3 Pursuant to 20 CFR 683, ADES shall impose fiscal sanctions if a local area fails the same performance measure(s) in three or more consecutive years. The sanction shall be applied to the area of funding (i.e. Adult, Youth, Dislocated Worker or Rapid Response) in which the failed performance measure(s) applies. Sanctions shall follow the Sanction Schedule (Attachment A) and shall be applied after final performance is reported in October of each contract year.

Sanctions collected shall be held by ADES and the Contract may receive the sanctioned funds if the performance for the failed measure(s) is rectified and the local area passes the performance measure in the next reporting cycle (i.e. October of the following year). If the local area does not rectify performance in the next reporting cycle, the funds shall revert to ADES.

31.0 CONFIDENTIALITY

31.1 The Contractor shall observe and abide by all applicable State and federal statutes, rules and regulations regarding the use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contract services. To the extent permitted by law, the Contractor shall release information to ADES and to the Attorney General's Office as required by the terms of this agreement, by law or upon their request.

32.2 The Contractor shall comply with the requirements of Arizona Address Confidentiality Program, A.R.S. § 41-161 et. seq. ADES will advise the Contractor as to applicable policies and procedures ADES has adopted for such compliance.

33.0 FINGERPRINTING.

33.1 Contractor shall comply with, and shall ensure that all of Contractor's employees, independent contractors, subcontractors, volunteers and other agents comply with, all applicable (current and future) legal requirements relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and criminal records checks that relate to contract performance.

33.2 Applicable legal requirements relating to fingerprinting, certification, and criminal background checks" may include, but are not limited, to the following: A.R.S. §§ 36-594.01, 36-3008, 41-1964, and 46-141. All applicable legal requirements relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and criminal records checks are hereby incorporated in their entirety as provisions of this Agreement. The Contractor is responsible for knowing which legal requirements relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and criminal records checks relate to contract performance.

33.3 To the extent A.R.S. § 46-141 is applicable to contract performance or the services provided under this agreement, the following provisions apply:

33.3.1 Personnel who are employed by the Contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles or vulnerable adults shall have a valid fingerprint clearance card or shall apply for a fingerprint clearance card within seven working days of employment.

33.3.2 Except as provided in A.R.S. § 46-141, this agreement may be cancelled or terminated immediately if a person employed by the Contractor and who has contact with juveniles certifies pursuant to the provisions of A.R.S. § 46-141 (as may be amended) that the person is awaiting trial or has been convicted of any of the offenses listed therein in this State, or of acts committed in another state that would be offenses in this State, or if the person does not possess or is denied issuance of a valid fingerprint clearance card.

33.4 Federally recognized Indian tribes may submit and ADES will accept certifications that state that no personnel who are employed or who will be employed during the term of this agreement have been convicted of, have admitted committing or are awaiting trial on any offense as described in A.R.S. § 41-1758.03 (as may be amended).

- 34.0 BACKGROUND CHECKS FOR EMPLOYMENT THROUGH THE CENTRAL REGISTRY** If providing direct services to children or vulnerable adults, the following shall apply:
- 34.1 The provisions of A.R.S. § 8-804 (as may be amended) are hereby incorporated in its entirety as provisions of this agreement.
- 34.2 ADES will conduct Central Registry Background Checks and will use the information contained in the Central Registry as a factor to determine qualifications for positions that provide direct service to children or vulnerable adults for:
- 34.2.1. Any person who applies for a contract with this State and that person's employees;
- 34.2.2. All employees of a contractor;
- 34.2.3. A subcontractor of a contractor and the subcontractor's employees; and
- 34.2.4. Prospective employees of the contractor or subcontractor at the request of the prospective employer.
- 34.3 Volunteers who provide direct services to children or vulnerable adults shall have a Central Registry Background Check which is to be used as a factor to determine qualifications for volunteer positions.
- 34.4 A person who is disqualified because of a Central Registry Background Check may apply to the Board of Fingerprinting for a Central Registry exception pursuant to A.R.S. § 41-619.57. A person who is granted a Central Registry exception pursuant to A.R.S. § 41-619.57 is not entitled to a contract, employment, licensure, certification or other benefit because the person has been granted a Central Registry exception.
- 34.5 Before being employed or volunteering in a position that provides direct services to children or vulnerable adults, persons shall certify on forms that are provided by ADES whether an allegation of abuse or neglect was made against them and was substantiated. The completed forms are to be maintained as confidential.
- 34.6 A person awaiting receipt of the Central Registry Background Check may provide direct services to ADES clients after completion and submittal of the Direct Service Position certification form if the certification states:
- 34.6.1. The person is not currently the subject of an investigation of child abuse or neglect in Arizona or another state or jurisdiction; and
- 34.6.2. The person has not been the subject of an investigation of child abuse or neglect in Arizona, or another state or jurisdiction, which resulted in a substantiated finding.
- 34.7 If the Central Registry Background Check specifies any disqualifying act and the person does not have a Central Registry exception, the person shall be prohibited from providing direct services to ADES clients.
- 34.8 The Contractor shall maintain the Central Registry Background Check results and any related forms or documents in a confidential file for five (5) years after termination of the Agreement.
- 35.0 DATA SHARING AGREEMENT**
- 35.1 When determined by ADES that sharing of confidential data will occur with the Contractor, the Contractor shall complete ADES Data Sharing Request agreement and submit the completed agreement to ADES Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request agreement shall be required between the Contractor and each ADES Program sharing confidential data.
- 36.0 CERTIFICATION REGARDING LOBBYING**
- The Contractor certifies, to the best of its knowledge and belief, that:
- 36.1 No Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency. This applies to a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant. Including the making of any Federal, loan the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 36.2 If any funds other than Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this

Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

36.3 The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contract under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

36.4 This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

37.0 COPYRIGHTS AND OWNERSHIP OF INTELLECTUAL PROPERTY

Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify ADES, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative action that might have the effect of vesting all or part of the Intellectual Property in any entity other than ADES. The Contractor or its subcontractors are not to dispose or distribute any Intellectual Property without the express written authorization of ADES, division, board or commission of the State of Arizona requesting the issuance of this contract shall not disclose the Intellectual Property.

38.0 CLEAN AIR ACT & CLEAN WATER ACT

As the Contractor you must be in compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C.1857(h)),section 508 of the Clean Water Act (33 U.S.C. 1368) Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

39.0 ENERGY POLICY AND CONSERVATION ACT

As the Contractor, you must adhere to the standards and policies relating to energy efficiency; which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

40.0 COPELAND "ANTI-KICKBACK" ACT

As the Contractor to this agreement, you are expected to comply with the Copeland "Anti-Kickback" Act (18 U.S.C. § 874) as supplemented in the Department of Labor regulations (29 CFR part 3). This regulation applies to all contracts and sub grants for construction or repair.

41.0 DEBT COLLECTION AND AUDIT RESOLUTION

As the Contractor to this agreement, you must comply with P.L. 105-220 Sections 128, 133, and 184; 20 CFR Part 652, Subpart D,E and G; 20 CFR Part 667 Subparts D – H; 29 CFR Parts 95, 96, 97, and 99; OMB Circular A-21. As the Contractor to this agreement, you must comply with 2 CFR 200 and all subparts. As the Contractor to this agreement, you are required to adhere to Federal Acquisition Regulation 97-03 Part 31; ADES Policies 1-47-01 and 1-47-08.

41.1 Among the required controls specified in 20 CFR 683.750 is the process for collecting debts. 20 CFR 683.410 states it is the responsibility of the Contractor, sub-grantee, sub-recipient and/or service provider to conduct regular oversight and monitoring of its WIOA activities to determine whether expenditures made against the cost categories are within the cost limitations specified in WIOA laws and regulations. 20 CFR 683.710 states that:

- (a) The Contractor is responsible for all funds under its grant(s):
- (b) The political jurisdiction(s) of the chief elected official(s) in a Local Workforce Development Area is liable for any misuse of the WIOA grant funds allocated to the local area under WIOA sections 128 and 133, unless the chief elected official(s) reaches an agreement with the Governor to bear such liability. The Arizona Department of Economic Security (ADES) holds all direct recipients (Contractors) liable for all expenditures of funds.

42.0 RIGHT TO ASSURANCE

If ADES in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of "Days" specified in the demand may, at ADES's option be the basis for terminating the contract under the rights and remedies available by law or provided by this contract.

43.0 REVIEW

This agreement shall be reviewed at any time at the written request of either party.

44.0 DEBARMENT AND SUSPENSION

44.1 Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

44.2 ADES may, by written notice to the Contractor, immediately terminate this Contract if ADES determines that the Contractor has been debarred, suspended, or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. If the contractor becomes suspended or debarred, the Contractor shall immediately notify ADES. Contractors must not make any award or permit any award (sub-recipient or vendor) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive order 12549 and 12689.

44.3 The Contractor certifies to the best of its knowledge and belief, that it and its sub-recipients:

44.3.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

44.3.2 Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

44.3.3 Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

44.3.4 Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause of default.

**Attachment A
Schedule of Sanctions for Failed Performance Measures**

Per Section 23.3 of the IGA

Number of Years of Failed Performance	Sanction for 1 Failed Performance Measure	Sanction for 2 Failed Performance Measures	Sanction for 3 Failed Performance Measures	Sanction for 4 Failed Performance Measures
2	1% of PY/FY Allocation	2% of PY/FY Allocation	3% of PY/FY Allocation	4% of PY/FY Allocation
3	5% of PY/FY Allocation	6% of PY/FY Allocation	7% of PY/FY Allocation	8% of PY/FY Allocation
4	10% of PY/FY Allocation	11% of PY/FY Allocation	12% of PY/FY Allocation	13% of PY/FY Allocation
5	20% of PY/FY Allocation	21% of PY/FY Allocation	22% of PY/FY Allocation	23% of PY/FY Allocation

Attachment B - WIOA Title I Allocation by Program and Fiscal Year

Vendor Name: Pima County

Contract #: DI19-002205

PY/FY	Year	Program	Amount	Begin Date	End Date	Final Expenditure / Cash Report Submission Date
PY	2018	AD Admin	\$ 32,069	07/01/18	06/30/20	August 15, 2020
PY	2018	YT Admin	\$ 216,429	04/01/18	06/30/20	August 15, 2020
PY	2018	DW Admin	\$ 50,334	07/01/18	06/30/20	August 15, 2020
FY	2019	AD Admin	\$ 170,238	10/01/18	06/30/20	August 15, 2020
FY	2019	DW Admin	\$ 238,322	10/01/18	06/30/20	August 15, 2020
PY	2018	Youth	\$ 1,947,861	04/01/18	06/30/20	August 15, 2020
PY	2018	Adult	\$ 288,625	07/01/18	06/30/20	August 15, 2020
FY	2019	Adult	\$ 1,532,145	10/01/18	06/30/20	August 15, 2020
PY	2018	DW	\$ 453,002	07/01/18	06/30/20	August 15, 2020
FY	2019	DW	\$ 2,144,897	10/01/18	06/30/20	August 15, 2020
PY	2018	RR	\$ 60,400	07/01/18	06/30/20	August 15, 2020
FY	2019	RR	\$ 285,987	10/01/18	06/30/20	August 15, 2020
TOTAL			\$ 7,420,309			

Funding provided by U.S Department of Labor

Note : The final close out packet for the PY18/FY19 allocation is due to DES on or before 8/01/2021