

BLUEGRASS AREA DEVELOPMENT DISTRICT, INC. FOR BLUEGRASS  
WORKFORCE INVESTMENT BOARD

WIA CONTRACT NUMBER 13-010Y

TABLE OF CONTENTS

- I. SCOPE OF AGREEMENT
  - A. Compliance and Performance
  - B. Maintenance of Documents
  - C. Accountability
- II. PAYMENT THROUGH GRANT FUNDS
  - A. Base
  - B. Incentive Award
  - C. Work Experience
  - D. WIA Steps To Success
- III. MODIFICATIONS TO AGREEMENT
- IV. CANCELLATION OF AGREEMENT
  - A. For Convenience
  - B. For Cause
- V. ASSURANCES AND CERTIFICATIONS
  - A. Assurances and Certifications
  - B. Nondiscrimination and Equal Opportunity
  - C. Certification on Lobbying
  - D. Debarment, Suspension, Ineligibility, and Voluntary Exclusion
  - E. Drug Free Workplace
  - F. Incorporation of Documents

**BLUEGRASS AREA DEVELOPMENT DISTRICT, INC. FOR BLUEGRASS  
WORKFORCE INVESTMENT BOARD**

**WIA CONTRACT NUMBER 13-010Y**

THIS AGREEMENT, made and entered into this 1st day of July 2012 by and between the Bluegrass Area Development District, Inc., 699 Perimeter Drive, Lexington, Kentucky 40517 ("the District") as Administering Entity for the Bluegrass Workforce Investment Board (BGWIB) and

Lexington-Fayette Urban County Government  
1177 Red Mile Place  
Lexington, KY 40504

**WITNESSETH:**

WHEREAS the District, as grant recipient and administrative entity for the Bluegrass Workforce Investment Area (BWIA), has received a Federal Grant through the Commonwealth of Kentucky, Education Cabinet, ("the Cabinet") as detailed in the Agreement, which provides for services under terms of the Workforce Investment Act (WIA) of 1998 Public Law 105-220, Title I, Chapters 4 & 5; and

WHEREAS the District is responsible to the Cabinet for the expenditure of funds in compliance with provisions of the Act, and its attendant Regulations, Federal and Cabinet directives and guidelines, and other materials relating to program operations to be carried out by the District or under its authority; and

WHEREAS the District desires to have workforce investment services for WIA-eligible residents of Anderson, Bourbon, Boyle, Clark, Estill, Fayette, Franklin, Garrard, Harrison, Jessamine, Lincoln, Madison, Mercer, Nicholas, Powell, Scott, and Woodford Counties; and

WHEREAS the Contractor is a party capable of providing certain employment and/or training activities for residents in one or more of those Counties; and

WHEREAS the District has selected the Contractor to provide the following employment and or training activities in Fayette County (Gainesway, Winburn, Woodhill, and Cardinal Valley neighborhood areas) to 40 out-of school youth:

**COORDINATION AND PROVISION OF THE TEN REQUIRED ELEMENTS FOR YOUTH  
UNDER THE WORKFORCE INVESTMENT ACT OF 1998.**

As specified further in the Awarded Proposal contained in Attachment "B";  
NOW THEREFORE, it is mutually agreed by and between the parties as follows:

**I. SCOPE OF AGREEMENT**

The Contractor agrees that activities to be performed are those authorized by the Act, which will prepare youth for participation in the labor force by increasing their occupational and educational skills, and enhancing basic educational skills of youth,

encouraging school completion or enrollment in supplementary or alternative school programs while providing gainful work exposure and enhancing citizenship skills, leading to long term employability for eligible program participants.

The Contractor agrees to provide the specified activities for the agreed number of WIA eligible residents of the aforementioned county or counties under the following terms and conditions:

**A. Compliance and Performance**

1. The Contractor will comply with the Assurances and Certifications contained in this Agreement.
2. The Contractor will operate the program in such a manner as to meet the applicable Program Performance Standards set forth in Attachment "A" to this Agreement.
3. The Contractor will perform the function described with particularity in the Awarded Proposal contained in Attachment "B" of this Agreement.
4. The Contractor will provide documentation of performance and/or expenditures to allow for payment as specified in the Payments Through Grant Funds section contained in Section II of this Agreement.

**B. Maintenance of Documents**

1. The Contractor will maintain all documents, records of accounts, records of personnel, time sheets and financial records, and will submit such reports as required by the District and/or the Cabinet to assure proper accounting for all funds under this Agreement.
2. The District, pursuant to applicable law, including KRS 61.870 et.seq. specifically reserves the right to have access to any books, documents, papers, and records of the Contractor which are pertinent to this specific Agreement.
3. The Contractor will make all pertinent records available for monitoring and/or audit purposes to the District or to its designee, to the Cabinet, the United States Department of Labor, or the Comptroller General of the United States.
4. The Contractor will retain hard copies of all records pertinent to this Agreement, including financial and statistical records, participant records and supporting documents, for a period of three (3) years. The retention period will begin on the date of submission by the Contractor of the final expenditure report for this Agreement. If, prior to the expiration of the three-year retention period, any litigation or audit is begun or a claim is instituted involving this Agreement, the Contractor shall retain the records beyond the original three-year period until the litigation, audit findings, or claim has been finally resolved.
5. The Contractor agrees to assure the confidentiality of all information, whether written or verbal, provided by or about any client seeking or receiving services under this contract except as approved and authorized in writing by the

client, or as otherwise authorized by law in accordance with the provisions of the Privacy Act 1974, P.L. 93-579, (5 USC 552a).

6. The Contractor agrees to maintain written personnel procedures and policies including salary, conditions of employment, and job descriptions relative to all personnel whose services are contracted for or otherwise secured by process other than direct employment. Time sheets are required for all staff and participants, where applicable.

C. Accountability

1. The Contractor will determine and assign costs and/or payments in accordance with the accounting methods used by the District, and will submit appropriate documentation as required by the District to support such costs and/or payments upon request.

2. The Contractor agrees to provide all applicable Management Information System (MIS) Reports within five (5) consecutive calendar days and all Fiscal Reports within ten (10) consecutive calendar days of the end of a report period.

3. The Contractor will submit the final invoice for services rendered under this Agreement no later than fifteen (15) consecutive calendar days after the expiration date of this Agreement, unless a written request for waiver of this deadline is submitted by the Contractor and approved by the District fifteen (15) days prior to the expiration date of the Agreement.

4. The Contractor will respond in writing to the Findings, Conclusions, and Recommendations in the Reports of the Audit when requested to do so by the District. Unless an extension of time is expressly granted, the Response shall be submitted to the District within thirty (30) consecutive calendar days after the date of the Contractor's notification of the Findings and Recommendations of the Audit. The Contractor may take exception to the particular Findings and Recommendations of the Audit. The reasons for such exceptions must be included in the Response. The Response must also point out corrections already made and state what action is proposed and the estimated completion date of such action demanded in the Audit's Findings and Recommendations. The District will consider the Contractor's Response and any additional information provided by the Contractor when determining whether or not specific payments and/or expenditures should be allowed.

5. The Contractor agrees to be accountable to the District and to make suitable reimbursement of any expenditures which are disallowed.

6. The Contractor agrees to accept responsibility for any audit exceptions arising from its failure to comply with the terms of the contract, including all laws and regulations applicable to federally funded activities.

7. The Contractor agrees to comply with audit requirements as contained in the U.S. Department of Labor's approved State Audit Plan, and as set forth in OMB A-133 as amended, policies pertaining to the Act which are established by the BGWIB or Education Cabinet - Department for Workforce Investment -

Office of Employment & Training - Division of Workforce & Employment Services, whichever is applicable; and advise the Bluegrass Workforce Investment Area of the procedures to be used in complying with the audit requirements.

Up to ten-percent (10%) of the contract amount may be withheld by the BWIA until after audit results are completed, as necessary.

8. For any breach of the above terms and conditions, the Contractor hereby obligates itself to hold harmless, defend and indemnify the District and the Cabinet from any suits or damages arising there from, including but not limited to payment of any settlement, court costs, judgments, attorney fees, and all other related costs. This hold harmless clause in no way affects, supersedes or diminishes any other rights or claims by the District against the Contractor or any options or rights of the District arising from other sources of law; all such rights and remedies are to be collective, and may all be exercised simultaneously and action and judgment acquired under all. It is understood and agreed moreover that, in the event enforcement of this hold harmless clause is required, the District shall, without interference or input by the Contractor, control the employment of counsel, the conduct of the law suit or settlement negotiations, and all other attendant matters. Finally, this hold harmless clause shall not affect any limitation of the Contractor's liability established or required by the KRS or other sources of law. This subparagraph is not applicable to State Agencies under the jurisdiction of the State Board of Claims, whose tort liability may be limited to an award from said Board.

9. In no event shall the District be responsible for, or liable to, any third party, included in this Agreement, for any damages of any type including liquidated, proven, compensatory, or real, arising from, or in any way associated with or attendant to, the failure of the Contractor to fulfill any obligations, contracts, subcontracts, agreements, or other responsibilities. The cancellation for cause or convenience of this Agreement, and the imposition of any directions or restrictions upon the Contractor by the District, shall both be covered by this clause. This subparagraph is not applicable to State Agencies under the jurisdiction of the State Board of Claims.

10. It is hereby expressly understood and agreed that if at any time the District must or should bring legal or investigatory action against the Contractor or any Subcontractor for violation of this Agreement, or for audit or complaint of violations by or against WIA-funded employees or participants for any reason whatsoever, they, the Contractor or legal and court costs attendant to or arising from or associated with such action, if the action by the District is ultimately successful; but nothing contained herein shall prevent the District from settling or otherwise compromising such action without the imposition of costs, at the sole discretion of the District. If, however, the Contractor's liability is governed by KRS 44.070 - 44.160 and/or 45A.245 - 45A.275., those statutes shall prevail over other provisions of this paragraph. Specifically, the tort liability of State Agencies under the jurisdiction of the State Board of Claims may be limited to an award from said Board.

11. It is understood that the Youth Council of the Bluegrass Workforce Investment Board has the option to add a probationary period to any proposal that was submitted and received a 75 overall score or below. If the Contractor has been notified of a probationary period, the Contractor must sign and include Attachment "C" with this agreement.

12. It is understood and agreed to by the parties to this contract that the work is to be done and performance goals are to be achieved as stated in the narrative and in all clauses and attachments, which are made a part of this contract.

Failure to adhere to contract terms, clauses, and attachments shall result in a required Corrective Action Plan, which shall include the dates by which improved performance may be expected.

The Contractor has ten (10) working days from receipt of notification in which to respond with a written Corrective Action Plan acceptable to the District or correction of the deficiencies, or with just cause for contract modification. If the Contractor does not respond within the appointed time, or does not present an acceptable written response, the District may immediately modify, suspend or terminate this contract.

Any contract failing to meet one or more of the participant performance outcomes by more than 15% shall be considered a failed contract. In this event, the District shall require the Contractor to present a full and complete proposal with a Corrective Action Plan acceptable to the District prior to any possible consideration for additional contracts.

13. The Contractor agrees to assure that a fidelity Bond has been properly executed to ensure that employee(s) who is (are) authorized to receive or deposit funds, issue financial documents, checks, or other instruments of payment for program costs shall be bonded against loss. The bond shall be sufficient to cover the maximum sums handled under this contract; and a copy must be provided to the BWIA before any payment can be made under this contract. The BWIA must be named as a loss payee for such funds received under this contract.

14. The Contractor agrees to establish and maintain a grievance procedure for grievances or complaints about programs and activities from participants and other interested persons.

15. The Contractor agrees to provide WIA participants with Worker's Compensation coverage in accordance with State law, where applicable. Where participants are not required to be covered under the State Worker's Compensation Law, they shall be provided with adequate on-site medical and accident insurance.

16. The Contractor agrees to assure all participants a safe work place and assure that where participants are engaged in activities not covered under the Occupational Safety and Health Act of 1970, as amended, they shall not be required or permitted to work, be trained, or receive services in buildings or

surroundings or under working conditions which are unsanitary, hazardous, or dangerous to the participant's health and safety.

17. No funds available under this contract may be used for contributions on behalf of any participant to retirement systems or plans.

18. The Contractor agrees to comply with the following regarding WIA marketing and media releases:

a) All media releases and publicity concerning any funded program will clearly identify that such a project is supported by the BGWIB;

b) All brochures and other promotional material paid wholly or in part with WIA funds will have prior approval of the BGWIB and will include the BGWIB logo; and

c) All WIA marketing releases will be in compliance with 29 CFR Part 34.

19. The Contractor agrees to list all jobs/positions created as a result of this agreement and to require all subcontractors of this agreement to list all job employment openings with the local Central Kentucky Career Center.

## II. PAYMENT THROUGH GRANT FUNDS

The District will compensate the Contractor, subject to actual availability of funds received by the District as part of its Federal Grant through the Cabinet. The total amount of compensation payable to the Contractor under this Agreement shall not exceed the sum of \$135,000.00 including any earned incentives for delivery of services, as specified in the Incentive Awards listed below, during the period from the 1<sup>st</sup> day of July 2012 to the 30<sup>th</sup> day of September 2013.

The District reserves the right to remove or withdraw encumbered funds allocated to the Contractor in the event of the occurrence of vacancy credit monies and to reduce pertinent budget items on a prorata basis for performance failure.

In the event the Contractor cannot meet any or all of the obligations placed upon it by terms of this Agreement, the Contractor shall immediately notify the District Director in writing. The District Director or a designee shall make reasonable efforts to assist the Contractor in meeting its obligations under the Agreement. If within thirty (30) consecutive calendar days the Contractor remains unable to comply with its obligations under this Agreement, the Contractor shall seek modification in accordance with the procedures set forth in Section III of this Agreement. Nothing in this paragraph shall be interpreted as limiting the right of the District to terminate Agreement in the manner set forth in Section IV of this Agreement.

The District reserves the right to withhold compensation when the Contractor fails to submit any reports delineated in this Agreement.

A. Base

A \$60,000 base will be awarded if the contractor is on target with planning objectives. This contract is for 40 youth. In which all of those youth must be eligible to obtain a high school diploma or GED by June 30, 2013. A \$1,500 deduction will occur in the base for each youth that is not certified and enrolled by December 31, 2012. In addition a \$1,000 deduction will occur in the base for each youth who is certified and enrolled during the 2nd quarter (October 1, 2012– December 31, 2012) of the contract.

All WIA funds must be spent on allowable WIA activities.

B. Incentive Awards

Contractors can also earn up to \$75,000 in additional funding for each youth who attains the performance measures listed below. The \$75,000 maximum is based on serving 40 youth. If the contractor serves less youth the maximum for additional funding is lowered \$1,500 per youth less than forty.

1. Goals

*Literacy and Numeracy*– (For out of school youth only). A literacy and numeracy goal must be set if a youth tests below a grade level of 8.9. Contractors will receive \$500 for each literacy and numeracy goal that is set and attained. Definition of attainment will be increasing one or more educational functioning levels. A literacy and numeracy goal can be set for reading or math. The allowable tests for this goal are TABE or Work Keys. The same pre- test and post- test must be used. 20,000

2. Credential

*High School Diploma or GED* – Contractor will receive \$500 for each high school diploma or GED obtained by a youth. Payment will be made once diploma or GED is submitted. 20,000

3. Follow Up

*Employment* – For each youth who is not employed upon entrance to the program, but is employed in the 1<sup>st</sup> quarter after exit, contractors will receive \$500. Payment will be made upon of submittal of pay stubs. 20,000

*Post Secondary*– Defined as enrolled in any post secondary institution. For each youth who is enrolled in or attending a post secondary institution in the first quarter after exit, contractors will receive \$500. Payment will be made once documentation is submitted.

C. Work Experience

An additional \$15,000 in funding is available for a work experience component.



Work experiences must occur with a private sector employer when the assessment and youth services strategy (YSS) indicate that work experience is appropriate. Contractors will be responsible for identifying and approving work experience sites, providing orientation to work site supervisors and participants, completing a host agency agreement, monitoring and documenting work experience activities and progress, maintaining time sheets and payroll of the participants, and reporting as requested.

Contractors may select up to twenty (20) of the enrolled youth to participate in the work experience component. Each youth is to be paid \$7.50 per hour for up to twenty (20) hours a week, up to a maximum of five (5) weeks.

D. WIA Steps To Success

Each contractor is required to have a minimum of 80% youth attend the youth competition. This will include all youth who have been enrolled during the current program year (July 1, 2012 – June 30, 2013) or who are currently in the follow up process.

III. MODIFICATIONS TO AGREEMENT

The Contractor agrees to make no changes or modifications to this Agreement without the prior written permission of the District. Contract modifications will be limited to one (1) modification per quarter. No modification will be accepted after December 31, 2012. The Contractor also acknowledges that this Agreement may be subject to modification should it be in the best interest of the District. Modifications requested by the Contractor will be granted only at the discretion of the District. Any services rendered or purchases made prior to approval of the modification will not be reimbursed.

IV. CANCELLATION OF AGREEMENT

A. For Convenience: This Agreement may be terminated or canceled upon thirty (30) calendar days' notice by the District when it is found to be in the best interest of the District to do so. Within five (5) consecutive calendar days of notice of cancellation, the Contractor shall submit to the District for its review and consideration of a proposed schedule of planned expenditures and activities for the thirty day cancellation period. Approval of all reasonable and necessary expenditures and activities for the thirty-day phase-out period is at the sole discretion of the District.

B. For Cause: Should the Contractor fail to follow the terms and conditions of this Agreement, such action shall allow the District to terminate or cancel this Agreement.

V. ASSURANCES AND CERTIFICATIONS

The District will not award an Agreement where the Contractor has failed to accept the Assurances and Certifications contained in this section. In performing its responsibilities under this agreement, the Contractor hereby certifies and assures that it will fully comply with the following:

A. The Contractor assures and certifies that it will:

1. Comply with the requirements of the Workforce Investment Act (29 U.S.C. 1501 et.seq.), and with the regulations there under as contained in Parts 626 through 638 of Title 20, Code of Federal Regulations.

All subrecipients shall comply with the following WIA Regulations:

- Part 627, subpart B, Program Requirements, 627.205 through 245, inclusive;
- Part 627, subpart C, Payments, Benefits and Working Conditions;
- Part 627, subpart D, Administrative Standards, .410 through .481, inclusive;
- Part 627, subpart E, Grievance procedures at the State and Local Level;
- Part 627, subpart G, Sanctions for Violations of the Act, .703;
- Part 627, subpart I, Transition Provisions

Title II subrecipients shall also comply with the following WIA regulations:

- Part 628, subpart C, State Programs, .302 and .325;
- Part 628, subpart D, Local service Delivery System

2. Administer its programs under WIA in full compliance with safeguards against fraud and abuse as set forth in the Act and more specifically defined in Section 182 and in Section 629.55 of the Code of Federal Regulations.

3. Comply with the provisions of the Hatch Act, which limits the political activity of certain State and local government employees.

4. Ensure that no individual participating in its WIA-funded program has violated Section 3 of the Military Selective Service Act (50 U.S.C. App.453) by not presenting and submitting the registration as required pursuant to such section.

5. Non profit agencies shall comply with A-133 and governmental units shall comply with the Single Audit Act of 1984 when applicable, OMB Circular A-128, and OMB Circular A-100, if it receives a total of \$25,000.00 or more in combined Federal funds for any fiscal year in which it receives funds under this Agreement.

6. Accept full responsibility for all Social Security contribution pursuant to Section 418, 42 U.S. Code.

7. Ensure that training facilities and work sites comply with all applicable regulations and standards promulgated by the U.S. Department of Labor (OSHA); the State Department of Housing, Buildings and Construction, Fire Prevention regulations, KRS Ch. 227.

8. Adhere to the requirements set forth in 41 CFR 29-70 et.seq. entitled "Administrative Requirements Governing all Grants and Agreements by which Department of Labor Agencies Award Financial Assistance to State and Local Governments, Indian and Native American Entities, Public and Private Institutions of Higher Education and Hospitals, and other Quasi-Public and Private Non-Profit Organizations."

9. Comply with all applicable standards, orders, and requirements contained in the following Federal issuance:

a) Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity." As amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60).

b) The Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (20 CFR Part 3).

c) The Davis-Bacon "Wages and Hours" Act (40 U.S.C. 276a-7) as supplemented by Department of Labor regulations (20 CFR Part 5).

d) Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).

e) Section 306 of the Clear 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).

f) Mandatory standards and policies relating to energy efficiency which are contained in the State energy Conservation Plan issued in compliance with the Federal Energy Policy and Conservation Act (P.L. 94-163, 89 stat. 8710.).

g) Executive Order 12549 of February 18, 1986, entitled "Debarment and Suspension," as supplemented in Department of Labor regulations (20 CFR Part 98, Section 98.510, "Participants' responsibilities.").

h) Section 319 of Public Law 101-121, and the attendant requirement to disclose lobbying activities pursuant to 31 U.S.C. 1352 (OMB 0348-0046).

10. Not utilize in the performance of activities under this Agreement any facility which is on the Environmental Protection Agency's List of Violating Facilities or is under consideration to be listed on the EPA List of violating Facilities.

11. Comply with all applicable wage and hour laws, both State and Federal, law pertaining to patents and copyrights and all laws and regulations Federal, State, and local specifically pertaining to its activities pursuant to this Agreement.

12. Ensure that no employee or representative of the Contractor with procurement authority shall participate either directly or indirectly in any activities that are in conflict with the provisions stated in KRS 45A.455, Conflict of Interest – Gratuities and Kickbacks – Use of Confidential Information.

13. Comply with the provisions of the Kentucky Civil Rights Act, as amended, Chapter 344 of the Kentucky Revised Statutes, and rules and regulations

published pursuant thereto and with the provisions of the Kentucky Equal Employment Opportunity Act of 1978, (H.B. 683), KRS 45.550 to 45.640.

14. Avoid nepotism or any appearance of nepotism in the selection of WIA-funded staff or participants.

15. Maintain its normal hiring and promotional efforts, so that no currently employed worker shall be displaced by any WIA participant (including partial displacement such as reduced in the hours of non-overtime work, wages or employment benefits). No WIA program shall impair existing contracts for services or collective bargaining agreements. No WIA program which would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned. No WIA participant shall be employed or job opening filled when any other individual is on layoff from the same or any substantially equivalent job, or when the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under WIA. No jobs shall be created in a manner which would adversely affect promotional opportunities of currently employed individuals.

16. Not employ or train participants on the construction, operation, or maintenance of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

17. Not use funds under this Agreement to assist, promote or deter union organizing.

18. Ensure that appropriate certification of eligibility forms have been completed by the District's certifying entity(s) prior to any participant's entry into the program. Enrollment of a participant without the proper certification may result in the immediate termination of the participant and repayment of all funds expended on the participant due to improper participation.

19. Cooperate with the District in determining reasons for a participant's early termination and assist in the resolution of the participant's problem(s), if any exist.

20. Cooperate with the local Central Kentucky Career Center and the District for the purpose of transitioning participants into unsubsidized employment at the earliest possible time after the participant is determined to be ready for referral to a job.

21. Provide adequate supervision of the participants enrolled in the program and provide the necessary equipment and materials to perform the training.

22. Establish and maintain a procedure to handle grievances or complaints about programs and activities from participants, subcontractors, and other interested persons.

23. Abide by the BGWIB's grievance procedures for resolving grievances and/or complaints about WIA program activities if it has no formal grievance procedures of its own.

24. Not subcontract for any function described in this Agreement without express written approval of the District.

Subcontracts for provision of services must meet the following conditions:

a) Funds obligated under this Agreement will be available for provisions of services by an agency, organization, or individual other than the Contractor only after the Contractor has executed a written subcontract in accordance with the provisions of this Agreement.

b) The Contractor agrees to cite the District Agreement number in all subcontracts. It is expressly understood that the Contractor is responsible for fulfillment of the terms of this Agreement with the District whether or not subcontractors are used and the terms of this contract are binding upon all subcontractors.

c) The Contractor agrees to:  
Require all subcontractors to comply with the section of this Agreement relating to worker's compensation and medical and accident insurance unless the Contractor elects to provide such coverage itself for participants.

Apply the requirements of this Agreement to subcontractors and require subcontractors to report to the Contractor in a manner which will meet the Contractor's reporting requirements for the District.

25. Ensure that all subcontracts with individuals (consultants), agencies, and organizations will meet all requirements as set forth in this Agreement.

26. Ensure, that, in projects including those designated for research and demonstration, all products or outcomes generated as part of the project becomes the property of the District. All materials and products developed and/or produced in whole or in part with WIA funds shall become the property of the District, including copyrights, patent rights, and rights in data.

27. The Contractor agrees to maintain inventory records on all non-expendable property acquired with WIA funds. All such non-expendable property that has a useful life of one (1) year or more shall be carried on the property inventory of the Cabinet. All non-expendable property will revert to the custody of the BWIA at the expiration of the contract unless the program is extended by subsequent contract (s), or justification can be provided that the property will be used for activities authorized under the Act and will serve WIA eligible clients during the next year, and a bailment agreement is signed between subcontractor and the BWIA.

28. Obtain approval from the District prior to purchasing with WIA funds any non-expendable property which as a life expectancy of one year or more and an

initial purchase price of \$500.00 or more. Items costing \$500.00 or more should have at least three telephone solicitation bids on file and items of \$1,000.00 or more should have three written bids on file. All discounts on items should be included. In addition, all lease agreements must be in writing and should be competitively priced. All non-expendable property purchased will be given a WDC tag number and the tag number will be affixed to the property by the District. All property shall be carried on the Contractor's property inventory and said property shall be released to the District upon expiration of the Agreement unless continuance is allowed on a subsequent Agreement. Any unit item included in the budget of this Agreement carries implied approval, unless otherwise stated.

29. Maintain and supply to the District an inventory for all non-expendable property, as described above, which shall include

- a) A description of the property.
- b) Identification number, such as the manufacturer's serial number.
- c) Source of the property and Agreement number.
- d) Acquisition date.
- e) Location, use and condition of property, and the date this information was reported.
- f) Unit acquisition cost.
- g) (3) telephone bids for items costing at least \$500.00 but less than \$1,000.00.
- h) (3) written bids for items costing at least \$1,000.00 but less than \$7,500.00.

30. Maintain a control system to ensure adequate safeguards to prevent loss, damage, or theft of the non-expendable property; and implement adequate maintenance procedures to keep the property in good condition.

31. Comply with the following provisions relative to program income:

- a) **Program Income Defined:**  
In regards to performance based/fixed unit cost and/or tuition based contracts CFR 629.32 states that "Public or private non-profit contractor revenues in excess of cost ("profit") are to be treated as program income and must be used to further program objectives."

Program income is defined as earnings realized from WIA grant supported activities. Such earnings include, but are not limited to, income from service fees, sale of program property, rental fees, sale of royalties, patents, copyrights, and income or earnings generated by program income funded activities.

Program income shall also include earnings which are in excess of costs and which are realized by public agencies or by private, non-profit organizations from contract which are fixed unit price, performance-based. Costs include only contract related expenditures which are reasonable, necessary, allowable, and allocable pursuant to 20 CFR 629.32 and which are incurred

during the contact period, or which are necessary for orderly contract start-up or close-out.

- b) **Priorities for Program Income Disposition:**  
First priority: Offset costs or augment training in future WIA training programs operated by the Contractor. A plan outlining expenditures and activities will be submitted to the BGWIB. Second priority: BGWIB will recapture or withhold program income funds.
- c) **Program Income Requirements:**
  - (1) Any Contractor who generated program income under a grant agreement may use the program income during the contract year to carry out any authorized Workforce Investment Act (WIA) activity. Any income unexpended after the contract period shall be returned to the BGWIB.
  - (2) Program income generated under fixed unit price, performance-based contracts must be spent on additional training or training related services. Training related services are defined as all activities listed under Section 204 and 205 of the WIA with the exception of employment generating activities.
  - (3) Expenditure of program income earned under fixed unit price, performance-based contracts may be made without regard to WIA cost limitations so long as any administration or supportive service expenditures are in direct support of training or training related services as defined above.
  - (4) Contractors are to track program income expenditures on a first-in, first-out basis.
  - (5) Program income may not be loaned.
  - (6) Program income may not be spent to cover disallowed costs.
  - (7) Any equipment purchased with program income is subject to BGWIB's provisions concerning property procurement, management and inventory within cost reimbursable contracts.
  - (8) Each public Contractor shall utilize either a separate bank account or internal fund account to receive and disburse all contract funds. A ledger shall be kept showing the amount, date and purpose of all deposits and withdrawals from the account. At the end of the contact, the balance of the bank account, less accounts payable and plus accounts receivable, must equal reported program income. Approved program income expenditures will be from this account until it is zeroed out, either

by proper program income expenditures or by payment of the balance to the BGWIB.

d) Program Income Reporting

Contractors will be responsible for tracking all contract revenues and expenditures, including submittal of:

(1) Independent Audit Report in accordance with Assurance and Certifications #7. The audit report should include a schedule of revenues and expenditures related to the Contractor's performance based/fixed unit and/or tuition based contract.

32. **Veteran's Priority Provisions:** This program is subject to the provisions of the "Jobs for Veterans Act," Public Law 107-288, which provides priority of service to veterans and spouse of certain veterans for the receipt of employment, training, and placement services in any job training program directly funded, in whole or in part, by the Department of Labor. Please note that, to obtain priority service, a veteran must meet the program's eligibility requirements. ETA Training and Employment Guidance Letter (TEGL) No. 03 (September 16, 2003) provides general guidance on the scope of the veterans priority statute and its effect on current employment and training programs. DOL anticipates updating this guidance at the time of WIA reauthorization and issuing individual guidance on each affected employment and training program.

33. Use of funds provided through this grant will be in accordance with the WIA, applicable regulations and any amendments thereto as approved by the Secretary, U.S. Department of Labor.

B. Assures compliance with the Nondiscrimination and Equal Opportunity Requirements of WIA as follows:

1. Agrees not to discriminate against any employee or applicant for employment because of disability, race, religion, color, national origin, sex, or age. Will take affirmative action to ensure that applicants are employed and that employees are treated without regard to their disability, race, religion, color, national origin, sex, or age. Such action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

2. Adhere to its Affirmative Action Plan and to applicable laws concerning Equal Employment Opportunity as established by the State, so that no individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or be denied employment in the administration of or in connection with the contract program because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief. The Contractor



agrees to post in conspicuous places, available to employees and applicants for employment, notices set forth for the provisions of the non-discrimination clause.

3. Will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to disability, race, religion, color, national origin, sex, or age.

4. Will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the Contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance.

5. Will comply with all provisions of Executive Order No. 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60), and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for the purposes of investigation to ascertain compliance with such rules, regulations, and orders.

6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further government contracts or federally-assisted construction agreements in accordance with procedures authorized in Executive Order No. 11246 of 24 September 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60), and such other sanctions may be imposed and remedies invoked as provided in said Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

6. The Contractor will include the provisions of paragraphs (1) through (7) of Section 202 of Executive Order No. 11246 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor, issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60) as amended, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a contractor becomes

involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

7. Agrees to comply with all applicable federal and state laws and regulations pertaining to the recognition and protection of the civil rights of persons to whom services are rendered and to applicants for such services during the performance of this Agreement.

8. Agrees to comply with the provisions of Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. §794 et seq., and applicable federal regulations relating thereto prohibiting discrimination against otherwise qualified individuals with disabilities under any program or activity receiving federal financial assistance.

9. Agrees to comply with the provisions of the Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq. and 29 CFR Part 37 specifically:

As a condition to the award of financial assistance under WIA from the Department of Labor, the grant applicant assures, with respect to operation of the WIA funded program or activity and all agreements or arrangements to carry out the WIA funded program or activity, that it will comply fully with the nondiscrimination and equal opportunity provisions of the Workforce Investment Act of 1998, as amended, including the Nontraditional Employment for Women Act of 1991; Title VI of the Civil Rights Act of 1964, as amended; the Age Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR Part 37. The United States has the right to seek judicial enforcement of this assurance.

10. As a condition to the award of financial assistance from the Department of Labor under Title 1 of WIA, the Contractor assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

Section 188 of the Workforce Investment act of 1998 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title 1--financially assisted program or activity;

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

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

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

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

The Contractor also assures that it will comply with 29 CFR part 37 and all other regulations implementing the laws listed above. This assurance applies to the Contractor's operation of the WIA Title 1 financially assisted program or activity, and to all agreements the Contractor makes to carry out the WIA Title 1 financially assisted program or activity. The Contractor understands that the United States has the right to seek judicial enforcement of this assurance.

The Contractor agrees to require each subcontractor to include the above assurances in applications for sub-grants and to include the assurances in all sub-grant agreements under this Agreement.

C. Certification on Lobbying: The Contractor certifies, to the best of his or her knowledge and belief, that for the preceding contract period, if any, and for this current Agreement period:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, 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.

2. If any funds, other than federally appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, 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.

3. The undersigned 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 contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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 a prerequisite for making or entering into this transaction imposed under 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 such failure.

D. The Contractor hereby certifies the following regarding Debarment, suspension, Ineligibility, and Voluntary Exclusion, Lower Tier Covered Transactions:

1. That neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this transaction by any federal department or agency.

2. Where the prospective recipient of federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall submit an explanation to the Cabinet.

E. The Contractor agrees to comply with provisions of 41 U.S.C. §701 in providing a drug free workplace.

F. INCORPORATION OF DOCUMENTS

The following documents are incorporated by reference and made a part hereto:

1. Workforce Investment Act of 1998 Public Law 105-220;

2. A copy of the Equal Opportunity/Affirmative Action Plan submitted by the Contractor and maintained on file by the District;

3. The Single Audit Act of 1984 (P.L. 98-502), together with OMB Circular A-110, A-128;

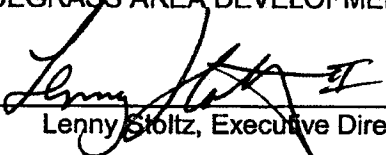
4. State Audit Plan OMB-133

The Contractor certifies by the authorized signature hereinafter it will not attempt in any manner to influence any specifications to be restrictive in any way or respect, nor will it attempt in any way to influence any purchasing of services of commodities by the Commonwealth of Kentucky. For the purpose of this agreement, "it" is construed to mean "they" if more than one person is involved and if a firm, partnership, corporation, or other organization is involved, then "it" is construed to mean any person with an interest therein.

The Contractor hereby certifies by the authorized signature hereinafter it is legally entitled to enter into the subject contract with the District and certifies it is not and will not be violating either directly or indirectly any conflict of interest statute (KRS 41.160, 42.990, 45A.330, 45A.340, 164.390, or any other applicable statute) or principle by the performance of this contract.

WITNESS the Agreement of the parties hereto as attested by their signatures affixed hereon, the day, month, and year first above written.

ADMINISTERING ENTITY:  
BLUEGRASS AREA DEVELOPMENT DISTRICT, INC.

  
\_\_\_\_\_  
Lenny Stoltz, Executive Director

  
\_\_\_\_\_  
DATE

**AUTHORIZING ENTITY:  
BLUEGRASS WORKFORCE INVESTMENT BOARD**


  
\_\_\_\_\_  
Daryl Smith, Chairman

7/13/12  
DATE

**CONTRACTOR:**

**NAME OF CONTRACTOR**

Lexington-Fayette Urban County Government

BY:   
\_\_\_\_\_

8/7/2/12  
DATE

## Youth Measures

### Common Measures

#### Youth Placement in Employment or Education

**Definition:**

Of those who are not in post-secondary education, employment, or the military at the date of participation:

The number of participants who are in employment or the military or enrolled in post-secondary education and/or advanced training/occupational skills training in the first quarter after the exit quarter divided by the number of participants who exit during the quarter.

#### Youth Attainment of a Degree or Certificate

**Definition:**

Of those enrolled in education (at the date of participation or at any point during the program):

The number of participants who attain a diploma, GED, or certificate by the end of the third quarter after the exit quarter divided by the number of participants who exit during the quarter.

#### Literacy and Numeracy Gains

**Definition:**

Of those out-of-school youth who are basic skills deficient:

The number of participants who increase one or more educational functioning levels divided by the number of participants who have completed a year in the program (i.e., one year from the date of program participation) plus the number of participants who exit before completing a year in the program.

*Contracts may be renewed based on performance outcomes.*