



**WORKFORCE**  
CENTRAL FLORIDA

SUBRECIPIENT AGREEMENT

2.1 Cost Allocation Plan

A plan, which identifies and distributes the cost of services provided by support staff and/or departments or functions. It is the means to substantiate and support how the costs of a program are charged to a particular cost category.

2.2 Cost Reimbursement Contract

This is a contract format, which provides for the reimbursement of all allowable costs, which have been identified and approved in the contract budget. It requires that the Service provider maintain the documentation necessary to support the cost. This contract is a cost reimbursement contract.

2.3 Program Costs

Personnel and non-personnel costs related to the provision of services to participants under a WIA funded contract. Costs include the salaries, fringe benefits, equipment, supplies, space, staff training, transportation and other related costs of personnel providing training, component supervisors, coordinators, clerical staff working on direct training activities or functions, instructional materials and equipment used by or for participants, classroom training space, utility costs, insurance, commercially available training packages, tuition, and OJT reimbursements.

2.4 Program Year

The program year is July 1 to June 30.

## ARTICLE 3

### FISCAL MANAGEMENT

#### 3.1 General Terms

##### 3.1.1 Funding Independent from Consortium Members

It is agreed that all funds contracted for herein are funds granted to Workforce Central Florida from the State of Florida under the Workforce Investment Act of 1998 and are not from funding sources of any member of the Workforce Central Florida Consortium of Elected Officials.

##### 3.1.2 Compliance with Federal and State Requirements

The Service Provider agrees to implement this Agreement in accordance with the federal, state and local laws, regulations, policies, and procedures applicable to the funding streams identified in Service Provider's budget. Service Provider understands that nothing in this Agreement will relieve Service provider from adherence to applicable federal, state, and local laws and regulations. Any conflict or inconsistency between the above and this Agreement will be resolved in favor of those laws, regulations, policies, and procedures.

Allowability and allocation of costs to the cost categories shall be governed by the Federal Office of Management and Budget Circulars, federal regulations governing federal funding streams, the Department of Economic Opportunity, Workforce Central Florida policies, and the budget attached to this Agreement as Exhibit B. Any conflict or inconsistency between the above and this Agreement will be resolved in favor of those laws, regulations, policies and procedures. However this section shall be construed to allow for Workforce Central Florida to impose restrictions more limiting than those required by said laws, regulations, policies and regulations.

#### 3.2 Compensation

##### 3.2.1 Total Compensation

a. The total funds allocated for the program to be operated under this Agreement shall be \$XXX,XXX, in accordance with the budget attached hereto, for WIA programs and services for the period July 1, 2013 through June 30, 2014.

b. Any funds not expended for the period July 1 through June 30, of each program year during which this Agreement is in effect may not be used to support the programs funded under any amendment extending this Agreement for a successive program year.

c. If Service Provider is a commercial organization and has included profit as a part of a line item budget, Service Provider shall be paid for that line item on a quarterly basis contingent upon documentation that outlines achieved performance is received and approved by Workforce Central Florida.

##### 3.2.2 Payments Limited to the Program and Cost Reimbursement Budget

Funds will be made available to the Service Provider by Workforce Central Florida on a reimbursable basis for allowable costs as defined by federal, state and local laws and guidelines and in accordance with the line item budget limitations within each cost category of the budget attached hereto as Exhibit B. Funds awarded under this Agreement or an amendment to this Agreement shall also be limited to:

a. The operation of the program described and in accordance with the terms and conditions set forth herein.

b. The period for performance as stipulated in the introductory clause of this Agreement or as it may be amended.

c. The terms and conditions of this Agreement, including the supporting detail and positions approved in the budget attached to this Agreement as Exhibit B. Any expenses not described in

Exhibit B will not be subject to reimbursement, this includes, but is not limited to, the specific costs related to supplies, materials, printing, equipment, increases or changes to staffing, wages and/or fringe benefits, bonuses, incentive payments, or mileage in excess of the Workforce Central Florida mileage reimbursement policy.

d. A ten percent (10%) variance may occur between line items with approval from Workforce Central Florida.

### 3.3 Fiscal Controls

#### 3.3.1 Maintenance of Fiscal Records In Accordance with GAAP

Service Provider agrees to maintain their books and records in accordance with Generally Accepted Accounting Principles, (GAAP), and to institute fiscal controls as established by Workforce Central Florida from time to time so as to be able to satisfactorily account for all monies spent in order to perform their obligations under this Agreement.

#### 3.3.2 Segregation of Contract Funds

Service Provider shall keep program funds segregated from other funds belonging to Service Provider's organization by maintaining separate bank accounts and/or separate ledgers.

#### 3.3.3 Advancement of Funds & Interest Reporting

Upon receipt of signed contract or agreement, the service provider may request in writing an advance of up to 20% of the contract funds.

Advances are deducted from the monthly Requests for Payment and are prorated over the initial life of the Agreement.

A request for advance payment will be processed within 30 days of the receipt of the request and the signed contract agreement.

Advances, as well as all funds including program income, must be maintained in interest-bearing accounts and the amount of the interest reported to WCF on a quarterly basis. If advanced funds are not placed in an interest-bearing account, or interest is not reported to WCF on a quarterly basis, the Service Provider will no longer be eligible for advances and, if advances have been awarded and not fully prorated out, the balance of the advance will be immediately due and the entire outstanding advance will be deducted from the next reimbursement request. If interest is not reported quarterly on program income or other funds, the funds will be returned to WCF through a deduction on the next reimbursement request.

#### 3.3.4 Service Provider Responsible for Actions of Employees and Representatives

Service Provider shall be responsible for the actions of its representatives, employees, and instructors with regard to all aspects of the Service Provider's program including, but not limited to, program implementation, the certification and submission of time and attendance records, invoices, submission and verification of financial reports, and maintenance of records.

#### 3.3.5 Access to Records Prior to Funding

Upon demand and/or within thirty (30) days prior to funding any program or service, Service Provider shall allow Workforce Central Florida to evaluate Service Provider's fiscal and personnel systems in order to be assured of Service Provider's capability to manage the program or project funded by this Agreement or any amendment hereto.

#### 3.3.6 Service Provider Obligation Regarding Training and Support Funds

To assure expenditure requirements are met for the various funding streams and that funds are not over obligated beyond what is available for each program year, if Service provider is responsible for obligating

funds which shall be reimbursed or paid to a third party by Workforce Central Florida, such as but not limited to support services or tuition payments, Service provider may be requested to provide Workforce Central Florida with a weekly report regarding the detail of those obligations. The report shall be provided to the Workforce Central Florida Contract Manager, in a format and containing information as required by Workforce Central Florida. Failure to provide the report and resultant over obligations beyond funds budgeted by Workforce Central Florida for training and support services will become Service Provider's responsibility for payment. Sums obligated by the Service Provider in excess of the amounts budgeted by Workforce Central Florida will be deducted from invoices due Service Provider and/or will have to be reimbursed to Workforce Central Florida by Service Provider should Service Provider's invoices be insufficient to cover the expense.

### 3.4 Deobligation and Failure to Perform

#### 3.4.1 Deobligation for Non-Performance

Workforce Central Florida reserves the right to adjust the outflow of funds more or less than originally anticipated up to the total amount of funds allocated to Service Provider. Workforce Central Florida may de-obligate or redistribute the funds under this Agreement or any amendment hereto, to alternate Service Providers to the extent that either the Contract is fully or partially terminated, the Service Provider is not able to perform effectively, or Service Provider's total program costs will not be expended in accordance with the amount of funds awarded under this Agreement. De-obligation for failure to meet contract schedules for the delivery of services shall be governed by Service Provider's adherence to the Statement of Work attached to this Agreement as Exhibit A.

#### 3.4.2 Funds Limited to the Contract Program

Funds accrued or allocated to the Service Provider under this Agreement or any amendment to this Agreement cannot be used by the Service Provider to support other programs operated by the Service Provider even under a different Agreement or amendment with Workforce Central Florida. Nor can the funds be carried over to a new contract or amendment without the express written permission of Workforce Central Florida.

#### 3.4.3 Agreement Contingent Upon Workforce Central Florida's Receipt of Funds

a. This Agreement is subject to the appropriation of funds by the Florida Legislature. As provided in Section 287.0582, Florida Statutes, the "State of Florida's performance and obligation to pay [to the extent a payment obligation can be gleaned from the terms set forth herein] under this Agreement is contingent upon an annual appropriation by the Legislature."

b. Service Provider agrees and understands that funds allocated to the Service Provider under this Agreement or any amendment or modification hereto are contingent upon Workforce Central Florida's receipt of the federal grant funds under which this Agreement is funded. Workforce Central Florida, therefore, reserves unto itself the right to unilaterally de-obligate, modify or amend Service Provider's budget in proportion to Workforce Central Florida's funding level and at the sole discretion of Workforce Central Florida or if necessary, to suspend or terminate this Agreement or any amendment hereto instantaneously and as may be necessitated by Workforce Central Florida's funding levels. Any de-obligation, modification or amendment of the funds allocated in the Service Provider's Agreement, or any amendment hereto, shall be effective upon notification to the Service provider by Workforce Central Florida. Workforce Central Florida shall provide Service Provider thirty (30) days notice, or in the event Workforce Central Florida receives less than thirty (30) days notice, Workforce Central Florida shall provide such notice as it receives from its funding sources. In such instances, costs will be reimbursed up to the date of cancellation only; thereafter neither Workforce Central Florida nor Service Provider shall have any obligation whatsoever to complete or otherwise continue the Program.

c. Service Provider funding shall be subject to the de-obligation policy adopted by the State. To the extent that Service Provider expenditure rates result in the de-obligation of funds allocated to Workforce Central Florida by the State, this Agreement may be unilaterally amended to reduce the total funds available in proportion to the funds de-obligated.

### 3.5 Method of Payment

#### 3.5.1 Invoicing

In order to receive payment Service Provider shall submit an accrual within ten (10) working days following the end of each month, and an invoice to Workforce Central Florida within twenty (20) working days following the end of each month. Invoices are generally paid within thirty (30) days of receipt. The invoice shall be for allowable costs as described in Service Provider's budget and as governed by the rules applicable to the funding streams and grants awarded to Service Provider. The invoice must be accompanied by all documentation necessary to substantiate the expenses for which Service Provider is seeking reimbursement, including but not limited to supporting documentation deemed acceptable by Workforce Central Florida. Invoices containing costs not supported by the proper documentation or items not detailed in Service Provider's line item budget shall be paid minus the expenditures lacking the documentation or not included with the submission of the invoice. Accuracy and timeliness of the invoices shall be a factor in recommendations for future renewals made to Workforce Central Florida's governing boards.

#### 3.5.2 Time for Submission of Invoices

a. Invoices must be submitted no later than twenty (20) days following the end of the month for which Service Provider is seeking reimbursement. The final invoice must be submitted within fifteen (15) days of the end of the month for which service provider is seeking reimbursement. Invoices submitted more than fifteen (15) days following the termination of the Workforce Central Florida program year, which is June 30 of each year, will be honored at Workforce Central Florida's discretion.

b. Invoices for the amount withheld for performance shall be submitted on a quarterly basis. Final performance invoices must be submitted within fifteen 15 days of the end of the month for which service provider is seeking reimbursement. After that date, Workforce Central Florida shall be pay invoice at its discretion.

#### 3.5.3 Invoice Errors

a. Service Provider shall be provided training on the correct way to submit invoices for reimbursement of expenses. Following the training, Service Provider will receive a written notices from Workforce Central Florida if Service Provider submits invoices:

- i. Containing mathematical errors, or
- ii. Seeks reimbursement for items not covered by the budget, or
- iii. Which are late, or
- iv. Which do not have the appropriate supporting documentation.

b. Service Provider will address errors within 24 hours after receiving written notice from Workforce Central Florida. If errors cannot be addressed, the amounts in question will be deducted until proper documentation is obtained or error is corrected.

#### 3.5.4 Reimbursement of Purchases

All capital expenditures must be approved by Workforce Central Florida in advance and shall be subject to the governing OMB Circular. Funds under this Agreement may not be used for the purchase in whole or in part of real property. In the case of a request for reimbursement of expended costs incurred in the acquisition or leasing of capital and expendable equipment as approved by Workforce Central Florida, Service Provider shall be required to comply with Article 3, Section 3.7, Property Management, of this Agreement.

#### 3.5.5 Required Documentation for Submission of Invoices

Service Provider agrees to maintain and provide the following documentation to Workforce Central Florida, along with Service Provider's invoice for payment. Service provider understands that invoices submitted without the below described documentation will not be honored.

- Original and completed monthly Invoice, reflecting the appropriate time period and signed by an authorized Service Provider official.
  - General or Accounting Ledger accurately reflecting all amounts billed; and copies of paid invoices and copies of canceled checks for reimbursement of supplies, equipment, travel expenditures). For mileage reimbursement requests, Service Provider shall use the Workforce Central Florida mileage form or their own form which contains the same information. Mileage from home to work will not be reimbursed. Service Provider is limited to the Workforce Central Florida rate when reimbursing its staff for mileage. Supporting explanations and/or calculations must be included to sufficiently verify ledger entries and to reconcile ledger line items to corresponding line items on the Request for Payment. All costs billed must be incurred and paid.
  - For payroll costs, payroll ledger/register reflecting allocation of staff time among cost categories and signed by an authorized Service Provider official for reimbursement of salaries and benefits and signed by employee as well as immediate supervisor and time and attendance sheets for each person billed under the Agreement. Time sheets and payroll ledger should be submitted in a timely manner and coincide with payroll processing dates. For those persons not working solely for the purpose outlined in the contract, a timesheet must be submitted indicating actual hours worked as billed. Hours cannot be based on percentage of time or based on budget; Supporting explanations and/or calculations sufficiently verifying ledger entries, and reconciled ledger line items to the corresponding line items on the Request for Payment.
  - Service Provider will submit supporting detail for fringe benefits billed upon request by WCF. Amounts billed for fringe benefits will be limited to actual costs.
  - Detailed tapes and/or highlighted numbers on the invoices to support amounts listed on the payment requests must be included.
  - For proprietary materials such as books and supplies, Service Provider shall provide signed receipts from students acknowledging delivery of the materials for which Workforce Central Florida is being charged.
  - For reimbursement of rental and utility charges (if applicable), Service Provider shall provide a copy of the lease and, as appropriate, a copy of the entire phone bill, utility bill, and/or rental Agreement.
  - For reimbursement of participant activities Service Provider shall provide participant attendance records and/or time sheets, participant payroll records, if applicable, participant competency tests, and any other documentation deemed necessary by Workforce Central Florida.

### 3.5.6 Changes to the Budget

Any changes to the budget above a 10% variance in line items will require a contract modification.

### 3.5.7 Release of Claims Upon Final Payment

The Service Provider, upon final payment of amounts due under this Agreement, less any credits, refunds, or rebates due to Workforce Central Florida, hereby releases and discharges Workforce Central Florida from any financial claims arising from this Agreement.

### 3.6 Payment Adjustments/Suspensions

#### 3.6.1 Reimbursement of Non Budgeted and Unallowable Costs

Workforce Central Florida shall not reimburse or pay any expenditures, costs, or payments for goods and/or services to Service Provider which are found to be unallowable, or which are found to be inconsistent with the last approved budget; provided, however, that said budget may be revised for more efficient and effective use of monies available under the Agreement upon written request by the Service Provider to Workforce Central Florida and written approval thereof by Workforce Central Florida in advance of the expenditure.

#### 3.6.2 Amount Withheld for Performance

Withholds for performance shall be based on actual contract expenditures and shall be withheld in accordance with the amounts, terms and conditions as described in The Work Statement of this Agreement.

### 3.7 Property Management

#### 3.7.1 Property Use Limited to the Program

a. Property leased or purchased with grant funds, including personal or real property shall only be used in implementing the Workforce Central Florida programs funded by this Agreement or any amendment hereto. Title to property purchased with funds made available through this Agreement shall vest with the State of Florida and/or Workforce Central Florida and the property shall be returned to Workforce Central Florida upon termination of this Agreement.

b. Service Provider shall not use contract funds to purchase a part or portion of personal property.

c. In the event that Service Provider enters into a lease for real property with funds under this Agreement:

i. Service Provider shall assure the lease contains a de-obligation clause similar to that contained in this Agreement.

ii. The lease shall not obligate Workforce Central Florida.

iii. If the lease is for a facility owned by Service Provider then lease payments shall be limited in amount in accordance with the OMB Circulars.

#### 3.7.2 Service provider Procurement Requirements

Service provider agrees to adhere to the following procurement procedures when obtaining any and all goods and services, contractual services, including but not limited to, office supplies, training supplies, equipment, rental Agreements, insurance, construction, maintenance, professional and consultant services, as needed to carry out the terms of this Agreement.

a. Procurements with an aggregate cost of up to \$5,000.00 may be considered a small business purchase and shall not require any formal procurement but will require two price comparisons (oral or written). Service Provider shall keep a record of the entities contacted for the purpose of securing any pricing and shall record the quotes received. Service Provider shall submit such documentation to the WCF Contract Manager prior to incurring this expenditure and shall maintain a record of the procurement and the receipt and payment of the goods or services. If the lowest-price items is not purchased, a written justification must be included.

b. For procurements with an aggregate cost of \$5,001.00 up to \$24,999, Service Provider shall secure two written quotes. Service Provider shall submit such documentation to the WCF Contract Manager prior to incurring this expenditure and shall maintain a record of the procurement and the



receipt and payment of the goods or services. If the lowest-price items is not purchased, a written justification must be included

- c. For procurements for purchases of \$25,000 to \$99,999 the Service Provider shall require at least three written quotes which will be documented. Service Provider shall submit such documentation to the WCF Contract Manager prior to incurring this expenditure and shall maintain a record of the procurement and the receipt and payment of the goods or services. If the lowest-price items is not purchased, a written justification must be included.
- d. Service Provider shall publicly advertise and competitively procure for purchases of \$100,000 or more. Service Provider shall submit a copy of the advertised notice seeking bids and a copy of all bids received when seeking reimbursement for this expenditure and shall maintain a record of the procurement and the receipt and payment of the goods or services.
- e. Service provider shall secure Workforce Central Florida's written prior approval for the purchase of items not included in Service Provider's budget.
- f. Service provider shall avoid all conflicts of interest either real or perceived in the procurement of goods and services with contract funds and in the execution of their obligations under this Agreement.

### 3.7.2 Service provider Use of Alternative Procurement System

If Service provider has developed a purchasing system, which it wishes to utilize in place of the system outlined in Article 3, Section 3.7.2, Service Provider shall submit a copy of its Purchasing Procedures to the Workforce Central Florida Compliance Director and shall request a formal waiver of the purchasing system described herein. The request will be reviewed and approved or disapproved by WCF. Approval will be granted so long as Service Provider's purchasing requirements meet the minimum standards established by the State of Florida for programs operated under the WIA.

### 3.7.3 Service provider's Failure to Produce Records

Service Provider expressly agrees that it shall reimburse Workforce Central Florida for any funds expended under this Agreement or amendment hereto when the Service Provider does not or cannot produce the documents required to demonstrate that the procurement requirements of this section have been followed or to support/ substantiate that the goods and/or services procured and/or purchased have been received.

### 3.7.4 Inventory Tags

Upon receipt of Service Provider's invoice, Workforce Central Florida shall provide Service Provider with inventory tag numbers for property purchased with funds granted under this Agreement. The Service Provider shall attach tags to the property. Workforce Central Florida's Procurement Specialist will inspect property on an annual basis.

### 3.7.5 Insurance Coverage for Property

- a. Service Provider shall provide insurance coverage for all property purchased with Workforce Central Florida funds in the event of loss or damage and shall list Workforce Central Florida as the named insured with regard to such property.
- b. Any loss, theft, or damage to Workforce Central Florida/State property, along with the property's inventory tag number shall be reported to Workforce Central Florida and the local police department as soon as possible following discovery of the loss, theft, or damage, but in any case not later than fifteen (15) days following the actual loss, theft, or damage.
- c. Any recovery made by Service Provider following a report to Service Provider's insurer of the loss, theft, or damage shall be reported to Workforce Central Florida. Workforce Central Florida will then inform Service Provider as to whether or not it may use the funds to replace the property or whether the monies should be returned directly to Workforce Central Florida.

### 3.7.6 Requirement to Provide a Physical Inventory

Thirty (30) days prior to the end of this Agreement, Service Provider shall present Workforce Central Florida with a physical inventory of all property purchased with funds set forth in this Agreement. The physical inventory shall contain a reference to the Contract under which funds were allocated for the purchase along with the Workforce Central Florida inventory tag number.

### 3.7.7 Requirement to Return Property

Within thirty (30) days of the termination of this Agreement or any amendment hereto under which the property was purchased, Service Provider agrees to return to Workforce Central Florida all property purchased with funds under this Agreement or any amendment hereto except where Service Provider and Workforce Central Florida agree that Service provider may continue to utilize such property for another WIA, WTP or other grant funded activity. Any such Agreement must be in writing and signed by Workforce Central Florida's President/CEO.

a. Service provider shall inform Workforce Central Florida in writing within twenty four (24) hours of the termination or resignation of any personnel whose salary is in whole or in part paid for under this Agreement so that their access to the Workforce Central Florida network can be terminated.

b. Service Provider shall ensure that any equipment issued which was purchased with funds provided by Workforce Central Florida or any equipment placed on Service Provider's site by Workforce Central Florida is collected from a terminated employee prior to their departure.

## 3.8 Contract Closeout

3.8.1 The Service provider shall comply with all provisions of Workforce Central Florida's Contract Closeout Procedures.

3.8.2 Closeout of the program funded under this Agreement upon termination of this Agreement shall be performed in accordance with the terms and conditions of WIA and state regulations and procedures. Except as expressly waived by Workforce Central Florida, closeout shall be completed prior to final payment for services performed pursuant to this Agreement. Service Provider shall provide Workforce Central Florida such information and materials within such time periods as Workforce Central Florida may require, necessary to complete closeout in accordance with applicable federal and state regulations and procedures.

## 3.9 Duplicate Funding

### 3.9.1 Prohibition Against Double Payments

Service Provider costs or earnings claimed under this contract may not also be claimed under another contract or grant from another agency.

### 3.9.2 Multiple Funding Sources

Service Provider shall utilize a cost allocation methodology which assures that Workforce Central Florida is paying only its fair share of costs for services, overhead, and staffing not solely devoted to the program funded by this Agreement. The cost allocation plan and supportive documentation must be provided to Workforce Central Florida within thirty (30) days of the start of this agreement. Cost allocation plan will be tested as part of Workforce Central Florida's review of the Service Provider's program. The cost allocation plan will be reviewed and approved by Workforce Central Florida.

END OF ARTICLE 3

## ARTICLE 4

### GENERAL CONDITIONS

#### 4.15 Program Income

##### 4.21.1 Program Income Must be Returned to Workforce Central Florida

All income as defined in Article 2, Section 2.51, realized in operating a program provided for under this Agreement or any amendment hereto shall be reported to and returned to Workforce Central Florida at the end of each quarter during which the income was realized and in any event shall be reported and returned to Workforce Central Florida upon termination of this Agreement. Program income does not include income from royalties and license fees for copyrighted material, patent, patent applications, trademarks, and inventions.

##### 4.21.2 Audits Must Contain a Program Income Schedule

Service Provider agrees to include in their audits a schedule prepared by their auditor detailing program income realized under this contract.

##### 4.21.3 Continuation of Program Income Revenues

Rental income and user fees on real and personal property acquired with contract funds shall continue to be program income upon termination of this Agreement. Service Provider shall make provision for accounting for such funds and returning the income to Workforce Central Florida.

##### 4.21.4 Service Provider Use of Program Income

In the event that Service Provider wishes to use program income to further or enhance activities funded by this Agreement service provider may request such permission in writing from the Workforce Central Florida President/CEO who shall consider such request and reply in writing either approving or denying the request. There shall be no appeal of the President/CEO's decision. In any event, program income may only be used for allowable activities and costs. In the event that income shall be added to service provider's budget in accordance with the amendment provisions under this Agreement, it shall be accounted for in accordance with the terms and conditions governing all funds awarded under this Agreement.

#### 4.16 Insurance and Bonding

The Service provider shall maintain during the term of this Agreement, the insurance and bonding specified below. This is in addition to the theft coverage required in Article 3.

##### 4.22.1 Third Party Liability

Third Party General Liability Insurance on a negligence basis, including injuries and accidental death to any person in an amount not less than three hundred thousand dollars (\$300,000.00) and subject to the same limit for more than one (1) person in an amount not less than one hundred thousand dollars (\$100,000.00) on account of one (1) accident.

##### 4.22.2 Fidelity Bond

Service Provider shall secure Fidelity Insurance to provide coverage under this contract or in the event that Service provider has several contracts with Workforce Central Florida. The fidelity bond shall be equal to the highest monthly advance or reimbursement expected to be received by the Contractor. The policy shall name the officers, directors and those employees in positions allowing for access to or control of program funds provided for by this Agreement. The Service Provider agrees to reimburse Workforce Central Florida for any loss incurred by Workforce Central Florida under this Agreement. Service Provider shall be liable for any sums not covered and/or paid by their insurer.

##### 4.22.3 Property Damage

Service Provider shall maintain property damage insurance in an amount not less than one hundred thousand dollars (\$100,000.00) for damage on account of any one (1) accident and in an amount not less than fifty thousand dollars (\$50,000.00) for damages on account of all accidents.

#### 4.22.4 Non-Owner Coverage

Service Provider shall maintain non-owner vehicle insurance coverage and shall name Workforce Central Florida as an additional insured.

#### 4.22.5 Directors and Officers, Employment Practice Liability and Errors and Omission Coverage

Non-governmental Service Providers shall maintain Directors and Officers Liability Insurance, which shall include Employment Practice Liability and Errors and Omission Coverage. Errors and Omission Coverage may not be paid for with WIA funds. Coverage shall be in the amount of at least one million dollars (\$1,000,000.00) and shall name Workforce Central Florida as an additional insured.

#### 4.22.6 Certificates of Insurance

The Service Provider shall make available to Workforce Central Florida upon request, Certificates of Insurance and Bonding prior to commencing any operations under this Agreement with such certificates clearly indicating that the Service Provider has obtained insurance and bonding in the amounts, type and classifications specified in this section and naming Workforce Central Florida as an additional insured as required under section 4.22.7 below.

#### 4.22.7 Addition of Workforce Central Florida as a Named Insured

All insurance coverage required by Workforce Central Florida under this Agreement shall cite Workforce Central Florida as an additional insured under the policy. In the event the policy is cancelled Workforce Central Florida shall have the right to cancel this Agreement.

#### 4.22.8 Failure to Maintain Insurance

Service Provider shall not cancel, materially change, or not renew insurance coverages affecting this contract before final payment by Workforce Central Florida is made to the Service Provider. Service Provider shall notify Workforce Central Florida in writing, of any material reduction or exhaustion of aggregate limits. Any exposure realized as a result of being underinsured will be covered by the Service Provider with non-federal funds. Failure to maintain the insurance coverages required herein, may result in termination of the contract.

## ARTICLE 5

### PROGRAM REQUIREMENTS

#### 5.1 Monitoring

##### 5.1.1 Service provider's Responsibility

The Service Provider shall have the administrative responsibility for developing, overseeing, and monitoring the program they have agreed to deliver as described in this Agreement. This includes, but is not limited to, participant time and attendance; verification of documents and reports prepared and/or submitted to Workforce Central Florida by Service Provider, and participant progress reports.

a. Service Provider shall develop a protocol and process for self-monitoring their fiscal, program operations and deliverables under this Agreement. Self-monitoring shall include validation of Service Provider's data entry. Service Provider shall conduct a monitoring of its program with a schedule provided to Workforce Central Florida Program Manager.

b. Upon request, Service Provider shall submit a copy of their monitoring report which shall include any findings identified and Service Provider's proposed corrective action to their Workforce Central Florida Program Manager. The Workforce Central Florida Program Manager will review such information and provide feedback if necessary.

c. The Self-Monitoring required by this Agreement shall be in addition to the monitoring conducted by the Workforce Central Florida. The WCF file review shall be coordinated to occur quarterly and prior to the notice of the State's annual monitoring visit. The file review shall incorporate the current program year and the immediately preceding program year if applicable.

d. Failure to take the requisite corrective action as a result of findings identified by Service Provider's internal monitoring unit, or findings identified by the State, or Workforce Central Florida, within thirty (30) days following the month in which the finding is identified and reported to Service Provider, may result in a determination that Service Provider has failed to meet a performance. Failure to meet the performance element related to corrective action of monitoring findings may result in a recommendation not to renew this Agreement or non-payment of that amount of the performance holdout related to required corrective action of monitoring findings.

5.1.2 Service Provider's responsibility notwithstanding, Workforce Central Florida, the State, the federal government or any of their designated representatives shall have the right to monitor service provider's program, and staff, perform qualitative reviews and otherwise assess Service Provider's program.

#### 5.2 Access to Records

##### 5.2.1 Availability of Records

a. At any time during the term of this Agreement, or at any time during the record retention period following termination of this Agreement, Service Provider shall make all contracts, invoices, payroll records, personnel files, and any and all other records relating to the program, funded by this Agreement, available and shall permit the Secretary of Labor, Comptroller General, the Governor, Workforce Central Florida or their designated representatives to conduct on site evaluations, audits, investigations, and monitor program performance to ensure compliance with the terms of the Agreement and amendments hereto.

b. Service Provider shall make original and/or certified copies of any statements, records, reports, plans, information, documents, maps or other data used, produced, or developed by Service Provider pertaining to any program funded by this Agreement or amendment hereto, available to Workforce Central Florida, the Comptroller, General of the United States, the federal government and/or the Governor or their designated representatives at any time upon reasonable notice and at no cost for the purpose of auditing, monitoring, reviews, investigation, survey or examination, even though, the Service Provider may at the time of the request no longer be operating programs for Workforce Central Florida or be a Service Provider of Workforce Central Florida.

c. Service Provider must make all records described in this Agreement available to Workforce Central Florida, the State or the Federal government in Orange County, Florida.

d. Service Provider shall assure that program and fiscal records are available to the monitors at the time of the start of all monitoring visits. Workforce Central Florida shall provide Service Provider with a schedule of the monitoring visits.

## 5.6 Audit

### 5.6.1 Governmental, Public and Private-Not-For-Profit Entities Requirement to Audit

a. Service Provider shall provide for the conduct of an external audit of the program funded by this Agreement and any amendments hereto if total aggregate expenditures of federal funds received from any source total five hundred thousand dollars (\$500,000.00) or more in any fiscal year. The audit shall be conducted in accordance with the provisions of the Federal Single Audit Act of 1996 and in compliance with State of Florida requirements, and Federal Office of Management and Budget Circular A-133. In determining the federal awards expended in its fiscal year, Service Provider shall consider all sources of federal awards. The determination of amounts of federal awards expended should be in accordance with the guidelines established by OMB Circular A-133, as revised.

b. Audits shall cover the entire recipient organization for the organization's fiscal year. Compliance findings related to contracts with Workforce Central Florida shall be based on the contract requirements, including any rules, regulations, or statutes referenced in the contract. The financial statements shall disclose whether or not the matching requirement was met if a match was required. All questioned costs and liabilities shall be fully disclosed in the audit report with reference to the Workforce Central Florida contract involved.

### 5.6.2 Commercial Entities Requirement to Audit

Commercial organizations receiving in excess of five hundred thousand dollars (\$500,000.00) a year in the aggregate of federal grant funds, whether from Workforce Central Florida or other funding sources, shall conduct a program specific independent financial and compliance audit in accordance with GAAS, or an organization wide audit conducted in accordance with OMB Circular A-133 that includes the federal funds received and the program conducted, within its scope. Reference 20 C.F.R. Part 667.200 (b)(2)(ii) and 45 C.F.R., Part 74.26 as they apply to WIA and WTP funds.

### 5.6.3 Reimbursement for Audit Expense

Service Provider agrees that although funds might be allocated in their budgets for audit expense, they will not seek reimbursement from Workforce Central Florida for the costs of any audit in whole or in part, for any fiscal year in which their expenditure of federal funds regardless of the source of receipt of those federal funds does not exceed five hundred thousand dollars (\$500,000.00).

### 5.6.4 Period of Performance

a. Audits must be conducted, completed, and submitted within thirty (30) days of the receipt of the Audit Report following termination of this Agreement or within nine (9) months after the end of the audit period which ever comes sooner.

b. Failure to submit an Audit Report, as required, may result in the withholding of payments due Service Provider under this or any other Agreement in place with Workforce Central Florida.

### 5.6.5 Identification of Program Income

Audit Reports shall include a schedule identifying program income as defined herein.

### 5.6.6 Disallowed and Questioned Costs

a. Service Provider shall be liable to Workforce Central Florida for any disallowed or questioned costs that Service Provider or Workforce Central Florida incurs as a result of Service Provider

expending funds in violation of this Agreement or in violation of the appropriate federal, state or local statutes, regulations, rules, policies, or procedures.

b. Disallowed or questioned costs may be identified through a monitoring report, investigation, review, or audit. Disallowed or questioned costs shall be refunded and promptly repaid to Workforce Central Florida by Service Provider within thirty (30) days of the issuance of the report.

#### 5.6.7 Audit Resolution Procedures

Service Provider agrees to be subject to the monitoring, review and audit resolution procedures established by Workforce Central Florida, the State of Florida or the applicable federal agency and to cooperate with Workforce Central Florida in the event that resolution cannot be achieved at Workforce Central Florida's level.

#### 5.6.8 Deduction from Monies Due Service Provider

If this or any other Agreement is in effect at the time of the identification of a questioned or disallowed cost, or a credit that is due Workforce Central Florida, Workforce Central Florida may deduct the amount disallowed/questioned from any reimbursements or payments due Service Provider.

#### 5.6.9 Failure to Discover

Workforce Central Florida's failure to either promptly discover or demand prompt payment for questioned or disallowed costs will not relieve Service Provider from their obligation to repay the disallowance or questioned cost at the time of identification or demand.

#### 5.6.10 Stand In Costs

Service Provider may with the written approval of Workforce Central Florida and the State of Florida, substitute allowable uncharged costs or in kind contributions, made from non-federal sources to support the program funded by this Agreement, to stand in for a disallowed or questioned cost. Such contributions or in kind payments must have been documented in Service Provider's budget attached to this Agreement and/or books of account as may be required by the federal rules. The expenditure must be supported by the Service Provider's independent Audit Report. The uncharged costs must have been incurred in the same title, cost category, and program year as the costs, which they are proposed to replace.

#### 5.6.11 Expiration of the Contract

The expiration of the contract shall not affect Workforce Central Florida's, the State's, or any applicable federal agency's right to audit, disallow, or question a cost, or Service Provider's obligation to repay the cost.

#### 5.6.12 Audit Requirements Upon Dissolution of Service provider's Organization or Termination of Agreement

a. In the event of the voluntary or involuntary dissolution of Service Provider's organization Service Provider shall inform Workforce Central Florida, within twenty-four (24) hours of Service Provider's knowledge of its intent to dissolve or of the involuntary dissolution of their organization, and prior to actual dissolution, agrees to allow Workforce Central Florida to arrange for an immediate audit of Service Provider's organization. Workforce Central Florida may also request or make provisions for the preservation of all records pertaining to the program(s) funded by this Agreement and any amendments hereto so that an immediate audit may be performed.

b. In the event of the voluntary or involuntary termination of this Agreement for any reason as described in this Agreement Service Provider shall allow Workforce Central Florida to arrange for an immediate audit of Service Provider's organization. Workforce Central Florida may also request that or make provisions for the preservation of all records pertaining to the program(s) funded by this Agreement and any amendments hereto so that an immediate audit may be performed.

c. Notice required by this section shall be in writing and in accordance with the Notice provisions

contained herein.

d. If Service Provider is requested to provide Workforce Central Florida with their records or elects to provide Workforce Central Florida with all its records pertaining to this Agreement or any amendments hereto they shall be delivered to the Workforce Central Florida Compliance Director who is the designated custodian of the records for purposes of compliance with this section.

e. Upon termination of this Agreement for any reason or upon the dissolution of Service Provider's organization whether voluntary or involuntary Service Provider agrees to allow Workforce Central Florida to arrange for an immediate audit of Service Provider's organization and/or the program/fiscal records, as appropriate. The audit may be organization wide or program specific in accordance with the requirements of the Office of Management and Budget and/or the State of Florida.

## 5.7 Amendments

### 5.7.1 Requests for Amendments

If either Service Provider or Workforce Central Florida wishes to modify, change, or amend this Agreement, the proposed changes shall be submitted to the other party in accordance with the Notice section under this Agreement. No such change shall be effective until approved by Workforce Central Florida and/or the Service provider and a formal amendment to this Agreement is executed by both parties.

a. Service Provider shall not be permitted to increase staff salaries not already provided for in the budget attached hereto as Exhibit B, add new lines items or make other adjustments to the budget without a prior written contract modification request to Workforce Central Florida.

b. Service provider shall not make expenditures or otherwise encumber funds prior to execution of a formal amendment.

c. Where modification requests include changes to the budget Workforce Central Florida shall evaluate the cost reasonableness of the request and if appropriate justification is provided by Service Provider a written amendment shall be executed.

### 5.7.2 Time for Requesting Amendments

Service provider may request an amendment to their Agreement one (1) time per program year quarter. The deadline for the last request shall be May 15<sup>th</sup> for each year this Agreement is in effect.

### 5.7.3 Workforce Central Florida's Unilateral Rights to Amend

Service Provider understands and agrees that Workforce Central Florida may unilaterally amend this Agreement to conform to changes in any federal or state statute, regulation, or policy which is applicable to the program funded by this Agreement or any amendment hereto.

### 5.7.4 Amendments for Local Conditions

Service Provider understands and agrees that Workforce Central Florida may amend this Agreement as regards reduction in training slots and/or a redirection of training areas affecting and reducing total funds available to Service provider, as a result of economic conditions and/or employment trends within the region's labor market.



ARTICLE 6

SPECIAL OBLIGATIONS

6.1 Participant Payments

6.1.1 Participants may not be paid for time not in attendance, holidays, or overtime. Service Provider shall not certify time sheets, which provide for payment for holidays, time not in attendance, at work, or in class, as appropriate, or for overtime hours worked.

6.1.2 Service Provider shall be responsible for making incentive payments to youth based upon funds set aside for such activities at the time of approval of Service Provider's proposal and/ or budget. Documentation of such payments will be included in Service Provider's monthly invoice.

EXHIBIT B - BUDGET

<b>Line Item</b>	<b>Budget</b>
<b>Program Staff Salaries</b>	<b>\$XX,XXX</b>
<b>Staff Salaries</b>	<b>\$XX,XXX</b>
<b>TIU, Health Care &amp; Fringe</b>	<b>\$XX,XXX</b>
<b>OPERATIONS</b>	<b>\$XX,XXX</b>
<b>PARTICIPANT COSTS</b>	<b>\$XX,XXX</b>
<b>TOTAL COSTS</b>	<b>\$XXX,XXX</b>