

**Save the Children
Professional Services Sub-contract
To
County of San Bernardino
Preschool Services Department
662 South Tippecanoe Avenue
San Bernardino, CA 92415**

Sub-Contract No. 840CA1117

A. Dates

The term of this agreement shall begin on **September 15, 2010** and end on **June 30, 2013**, but may be terminated earlier in accordance with provisions of this Sub-Contract.

Notwithstanding the preceding paragraph, this Sub-Contract may be terminated by either party by serving a written notice thirty (30) days in advance of termination.

B. Parties

Save the Children is herein after referred to as Contractor and the County of San Bernardino Preschool Services Department is herein after referred to as Sub-Contractor where said services will be provided at San Bernardino County. Additionally, the Children and Families Commission for San Bernardino County (the grantee) is herein after referred to as Commission.

C. Fiscal Provisions

The total amount of this sub-contract is **\$1,521,488.99** to be paid by the Contractor for services provided by the Sub-Contractor in accordance with all attachments incorporated herein by reference. Reimbursement for services rendered shall be calculated only up to this approved amount. The estimated annual contracted disbursements are as follows:

FY 2010-2011	\$511,684.00	September 15, 2010 through June 30, 2011
FY 2011-2012	496,184.80	July 1, 2011 through June 30, 2012
FY 2012-2013	<u>513,620.19</u>	July 1, 2012 through June 30, 2013
Total	<u>\$1,521,488.99</u>	

Continuation of this Sub-Contract for each fiscal year after June 30, 2011 is contingent on an Objectives and Scope of Work and a Program Budget being submitted by the Sub-Contractor and approved by the Contractor.

D. Sources

The funding of this sub-contract is 100% by the Commission.

E. Attachments

1. Terms and Conditions
2. Sub-Contractor's Service Responsibilities
3. Sub-Contractor's General Responsibilities
4. Contractor's Responsibilities
5. Objectives and Scope of Work
6. Performance Standards
7. Budget
8. Financial Report guidelines
9. Child Safety Policy
10. Special Provisions
11. Right to Monitor and Audit
12. General Provisions

Attachment E.1. Terms and Conditions

E.1.a. Terms of Payment

Upon acceptance of this grant, the Contractor shall make periodic payments to the Sub-Contractor as detailed in the sections below. All payments to the Sub-Contractor will be made by check in the name of the Sub-Contractor as follows: **County of San Bernardino Preschool Services Department**

The Contractor agrees to pay the Sub-Contractor on a monthly reimbursement basis once expenditures are incurred. The Sub-Contractor is required to submit an in-system financial report in the Contractor specified format described in Attachment E.5. by the 10th of the month following that which expenses were incurred along with copies of all backup documentation including invoices, time sheets and payroll data. Contractor will only reimburse for expenses expressly outlined in the budget in Attachment E.7. for the furtherance of the Objectives and Scope of work in Attachment E.5. **The final invoice must be submitted by July 20, 2013. Late submission of the final invoice may result in the lack of reimbursement of the final month of expenses.**

E.1.b. Budget and Budget Revision

The budget is included in Attachment E.7. Revisions to this budget shall be made only in the event of extraordinary circumstances and are subject to Contractor approval. Please note that Contractor allows line item flexibility within the total amount of each program cost with the exception of the following budget categories and/or line items: Staff and Furniture and Equipment, and Computers. The program costs are defined as Literacy, Physical Activity and Nutrition and general administration where applicable. In the event that there is a modification to the total amount of this Sub-Contract, a revised budget must be submitted for Contractor approval.

Annual variances in excess of 10% of a line item cannot be made by the Sub-Contractor without prior approval of the Contractor. Variance shall not result in a change to the total Sub-Contract amount or an increase to the administrative cost allocation of the approved budget. Contractor shall provide written justification for any budget line item variances of more than 10%.

E.1.c. Procurement

Sub-Contractor shall procure services or goods required under this Sub-Contract on a competitive basis (3 bid process), unless otherwise provided by law, and make selections based on obtaining the best value possible. When a non-competitive procurement is used, a written justification must be maintained and made available upon request. The purchase of any equipment, materials, supplies or property of any kind, including items such as publications and copyrights, which have a single unit cost of \$5,000 or more, including tax, and was not included in Sub-Contractor's approved budget, shall require the prior written approval of the Contractor. Any such purchase shall directly relate to Sub-Contractor's services or activities under the terms of the Sub-Contract.

Any item with a single unit cost of \$1,000 or more, including tax, purchased with funds received under the terms of this Sub-Contract and not fully consumed during the Sub-Contract term shall revert to be the property of the Contractor, unless otherwise specified by the Contractor. The disposition of such equipment or property must be approved by the Contractor upon Sub-Contract termination.

IMPORTANT NOTE: Because of the high level of accountability, any expenditure deemed to be inappropriate according to the Attachments included in this Sub-Contract and/or generally accepted accounting principles can result in the deduction of those funds from this Sub-Contract by the Contractor.

E.1.d. Reporting

E.1.d.i. Quarterly Progress Reports

Program progress reports may be requested in a format set forth by the Contractor. The Sub-Contractor will be advised in advance in the event that program reporting is required.

E.1.d.ii. Monthly Financial Reports

Monthly financial reports (in-system) should be sent to Save the Children to the attention of **Michael Kerr, Manager, Finance and Sub-contracts, US, 814 N. Van Ness Ave. Fresno, CA 93728**, or his/her replacement by the 10th day of the month following the month expenditures were incurred.

The monthly financial reports (in-system) shall be provided in the format outlined in Attachment E.5. The reports will be checked and approved by Contractor program and finance staff before any reimbursement is issued. This may require a review of the documents supporting the Sub-Contractor's monthly in-system financial report.

E.1.d.iii. Final Reports

The final program, finance, and equipment reports are due promptly on July 20, 2013. Late submission of these final reports may negatively impact the reimbursement of the final invoice.

E.1.d.iv. Other Reports

Interim financial and/or program progress reports may be requested by Contractor to meet the reporting requirements of funding source(s) supporting this Sub-Contract. Contractor will make every effort to provide sufficient notice to the Sub-Contractor in the event that interim reporting is required.

E.1.d.v. Payment Provisions

The Contractor will disburse funds on a fee for service/reimbursement payment process based on the Sub-Contract budget amount for the applicable fiscal year and monthly and quarterly report submissions.

All monthly reimbursements will be determined by actual expenditures reflected on the monthly and quarterly reports, projected costs and cash on hand collectively.

The Contractor reserves the right to reduce or withhold any payments from the Sub-Contractor for failure to submit reports in a timely and accurate manner or when the Sub-Contractor is not in compliance with the Sub-Contract. Final payment under this Sub-Contract may be withheld until all requirements, including reports, for Sub-Contract closure have been fulfilled by Sub-Contractor.

E.1.d.vi. Allowable Costs

Funds provided pursuant to this Sub-Contract shall be expended by Sub-Contractor in accordance with the Attachment E.7. – Budget.

Such specified expenditures will be further limited to those that are considered both reasonable and necessary as determined by the Contractor. Sub-Contractor agrees Contractor may recover any payments for services or goods, including rental of facilities, which were not reasonable and necessary or which exceeded the fair market value. The recovery shall be limited to payments over and above reasonable or fair market amounts and any costs of recovery.

The reasonable and allowable reimbursement rate for use of motor vehicles is the current IRS allowable rate.

Costs must be incurred only during the Sub-Contract term, except when specifically approved by the Contractor. Sub-Contractor shall not use current year funds to pay prior or future year obligations. Sub-Contractor will not be reimbursed for expenditures incurred after the expiration or termination of this Sub-Contract.

Sub-Contractor shall obtain Contractor approval for all out of State travel as it relates to services provided in this Sub-Contract. Request must be submitted in writing 30 days in advance of travel date and travel must be approved in advance by the Program Manager.

E.1.d.vii. Supplanting of Funds

In accordance with the Commission's Supplantation Policy, Sub-Contractor shall not supplant any Federal, State or County funds intended for the purposes of this Sub-Contract with any funds made available under this Sub-Contract. Sub-Contractor shall not claim reimbursement from Contractor for, or apply sums received from Contractor with respect to that portion of its obligations, which have been paid by another source of revenue. Sub-Contractor agrees that it will not use funds received pursuant to this Sub-Contract, either directly or indirectly, as a contribution or compensation for purposes of obtaining State funds under any State program or County funds under any County programs without prior written approval of the Contractor.

E.1.d.viii. Payment of Taxes

Contractor is not liable for the payments of any taxes, other than applicable sales or use tax, resulting from this Sub-Contract however designated, levied or imposed, unless Contractor would otherwise be liable for the payment of such taxes in the course of its normal business operations.

E.1.d.iv. Payor of Last Resort

Sub-Contractor shall attain funding through other sources than the Contractor to provide services or support to participants whenever possible.

In cases where a participant is qualified for benefits from another source (such as MediCal, Healthy Families, federal or state funded programs, personal insurance, etc.), costs relating to services provided to that participant should be paid for by the primary payor first. Only the costs not covered will be allowable under this Sub-Contract. Written verification shall be provided upon request.

Attachment E.2.
Sub-Contractor's Service Responsibilities

- a. Sub-Contractor shall provide all program services identified in this Sub-Contract, including Attachment E.5. – Objectives and Scope of Work. Attachment E.5. will be amended for Fiscal Year 2011-2012 and Fiscal Year 2012-2013 to list the specific quantitative targets for the respective year.
- b. Sub-Contractor shall provide services in a manner consistent with the Principles on Equity as adopted by the Commission and as available on the Commission website at www.first5sanbernardino.org.
- c. Sub-Contractor shall coordinate with appropriate agencies whenever possible to enhance service provision and to maximize usage of Commission Trust Fund monies available.
- d. Sub-Contractor shall deliver performance targets as specified in the Sub-Contract and provide evidence of achievement as identified in the verification. The verification tools must be pre-approved by the Contractor. When specified by the Contractor, verification tools must be developed in collaboration with staff or agencies as designated by Contractor.
- e. Sub-Contractor shall cooperate with any consultant, technical advisor, or committee as designated by the Contractor to support the evaluation system development and implementation process.

Attachment E.3. Sub-Contractor's General Responsibilities

E.3.a. Participants

Sub-Contractor understands and acknowledges that the services under this Sub-Contract are for the purposes of promoting, supporting and improving the early development of children prenatal through age five. As such, services provided under this Sub-Contract shall offer a direct benefit to this population. Any service provided beyond this limitation, unless as agreed upon in this Sub-Contract, is a breach of Contract and an unauthorized expenditure of Children and Families First Act funds. Services to siblings and family members who are not parents or primary caregivers may only be incidental to services provided to children prenatal through age five.

i. Sub-Contractor Capacity

In the performance of this Sub-Contract, Sub-Contractor its agents and employees shall act in an independent capacity and not as officers, employees, or agents of the Contractor.

ii. Contract Assignability

Without the prior written consent of the Contractor, the Sub-Contract is not assignable by Sub-Contractor either in whole or in part.

iii. Conflict of Interest

Sub-Contractor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, subcontractors, independent contractors, consultants, professional service representatives, volunteers and the Commission and Contractor. Sub-Contractor shall make a reasonable effort to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being motivated by a desire for private gain for themselves or others such as those with whom they have family, business, or other ties. In addition, Sub-Contractor's employees shall not simultaneously receive payment for work done as an independent contractor without obtaining prior approval from the Contractor or designee. In the event that the Contractor determines that a conflict of interest situation exists, the Contractor may disallow any increase in costs associated with the conflict of interest situation and such conflict may constitute grounds for termination of this Sub-Contract.

iv. Former Commission Administrative Officials

Sub-Contractor agrees to provide or has already provided information on former Commission administrative officials (as defined below) who are employed by or represent Sub-Contractor. The information provided includes a list of former Commission administrative officials who terminated Commission employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of Sub-Contractor. For purposes of this provision, "Commission Administrative Official" is defined as a member of the Commission or such Administrative Staff.

If, during the course of the administration of this Sub-Contract, the Contractor determines that the Sub-Contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the Contractor, this Sub-Contract may be immediately terminated. If this Sub-Contract is terminated according to this provision, the Contractor is entitled to pursue any available legal remedies.

v. Subcontracting

Sub-Contractor agrees not to enter into any subcontracting agreements for work contemplated under this Sub-Contract without first obtaining written approval from the Contractor. Any sub-contractor shall be subject to the same provisions as the Sub-Contractor. Sub-Contractor shall be ultimately responsible for the performance of any subcontractor.

vi. Recordkeeping

Sub-Contractor shall maintain all records and books pertaining to the delivery of services under this Sub-Contract and demonstrate accountability for Sub-Contract performance. Contractor and Commission shall have the right upon reasonable notice and at reasonable hours of business to examine and inspect such records and books. Records, should include, but are not limited to, monthly summary sheets, sign-in sheets, and other primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must also comply with the appropriate Office of Management and Budget (OMB) Circulars that state the administrative requirements, cost principles and other standards for accountancy.

All records shall be complete and current and comply with all Sub-Contract requirements. Failure to maintain acceptable records per the preceding requirements shall be considered grounds for withholding of payments for billings submitted and for termination of the Sub-Contract.

vii. Change of Address

Sub-Contractor shall notify the Contractor in writing of any change in mailing and/or service address. Notification shall occur in advance of the address change. At a minimum, notification must occur within five days of the address change. Change of address shall not interrupt service deliverables outlined in Attachment A.

viii. Staffing and Notification

Sub-Contractor shall notify Contractor of any continuing vacancies and any positions that become vacant during the term of this Sub-Contract that may result in reduction of services to be provided under this Sub-Contract. Upon notices of vacancies, the Sub-Contractor shall apprise Contractor of the steps being taken to provide the services without interruption and to fill the position as expeditiously as possible. Vacancies and associated problems shall be reported to the Contractor on each periodically required report for the duration of said vacancies and/or problems.

In the event of a problem or potential problem that will severely impact the quality or quantity of service delivery, or the level of performance under this Sub-Contract, Sub-Contractor will notify the Contractor within one working day, in writing and by telephone.

ix. Sub-Contractor Primary Contact

The Sub-Contractor will designate one individual to serve as the primary contact and one to serve as the alternate contact, if primary contact is unavailable, on behalf of the Sub-Contractor and will notify the Contractor of these designees within 15 days after Sub-Contract approval. The primary contact shall have the authority to identify, on behalf of the Sub-Contractor, other parties able to give or receive information on behalf of this Sub-Contract.

Sub-Contractor shall notify the Contractor when the primary contact will be unavailable or out of the office for two weeks or more or if there is any change in either the primary or alternate contact.

x. Responsiveness

Sub-Contractor or a designee must respond to Contractor inquiries within five business days.

xi. Grievance Policy

Sub-Contractor shall provide a system, approved by the Contractor, through which participants of services shall have an opportunity to express their views and complaints regarding the delivery of service. Grievance procedure must be posted prominently in English and Spanish at service sites for participants to review.

xii. Confidentiality

Sub-Contractor shall require its officers, agents, employees, volunteers and any subcontractor to sign a statement of understanding and comply with the provisions of federal, state and local statutes to assure that:

- All applications and records concerning any individual made or kept by any public officer or agency or contractor in connection with the administration of any services for which funds are received by the Sub-Contractor under this Sub-Contract, will be confidential and will not be open to examination for any purpose not directly connected with the administration, performance, compliance, monitoring or auditing of such services unless otherwise required or authorized by law;
- No person will publish, disclose, or permit to be published or disclosed or used, any confidential information pertaining to any applicant or participant of services under this Contract;
- Sub-Contractor agrees to inform all subcontractors, consultants, employees, agents, and partners of the above provisions; and,
- Sub-Contractor shall comply with all applicable provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

xiii. Child Abuse Reporting

- Sub-Contractor shall ensure that all known or suspected instances of child abuse or neglect are reported to the appropriate law enforcement agency and/or to the appropriate Child Protective Services agency. This responsibility shall include:
- Assurance that all employees, agents, consultants or volunteers who perform services under this Sub-Contract and are mandated by Penal Code Sections 11164 et seq. to report child abuse or neglect, sign a statement, upon the commencement of their employment, acknowledging their reporting requirements and their compliance with them;
- Development and implementation of procedures for employees, agents, consultants, or volunteers who are not subject to the mandatory reporting laws for child abuse to report any observed or suspected incidents of child abuse to a mandated reporting party, within the program, who will ensure that the incident is reported to the appropriate agency;
- Provision of or arrangement of training in child abuse reporting laws (Penal Code, Sections 11164 et seq.) for all employees, agents, consultants, and volunteers, or verification that such persons have received training in the law within thirty (30) days of employment/volunteer activity.

xiv. Department of Justice Clearance

Sub-Contractor shall obtain from the Department of Justice, records of all convictions involving any sex crimes, drug crimes, or crimes of violence of a person who is offered employment, or volunteers, for all positions in which he or she would have contact with a minor, the aged, the blind, the disabled or a domestic violence client, as provided for in Penal Code Section 11105.3. This includes licensed personnel who are not able to provide documentation of prior Department of Justice clearance. A copy of a license from the State of California is sufficient proof.

Sub-Contractor must have on file for review upon request a signed statement verifying Department of Justice clearance for all appropriate individuals.

xv. Conditions of Employment

Sub-Contractor shall notify the Contractor of any staff member, paid intern or volunteer who is knowingly or negligently employed who has been convicted of any crime of violence or of any sexual crime. Sub-Contractor shall investigate all incidents where an applicant, employee, or intern or volunteer has been arrested and/or convicted for any crime listed in Penal Code Section 11105.3 and shall notify the Contractor. In the Contractor's discretion, the Contractor may instruct Sub-Contractor to take action to either deny/terminate employment or terminate internship and/or volunteer services where the investigation shows that the underlying conduct renders the person unsuitable for employment, internship or volunteer services.

xvi. Meeting Attendance

Sub-Contractor will be required to attend meetings, workshops and training sessions around issues related to Sub-Contractor's particular region or directly related to the type of services being provided by Sub-Contractor as determined by the Contractor. Notifications of such meetings will be provided to Sub-Contractor within 10 business days.

xvii. Indemnification and Insurance Requirements

Sub-Contractor agrees to and shall comply with the following indemnification and insurance requirements:

1. Indemnification – The Sub-Contractor agrees to indemnify, defend (with counsel reasonably approved by the Contractor) and hold harmless the Contractor and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Sub-Contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the Sub-Contractor on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The Sub-Contractor's indemnification obligation applies to the Contractor's "active" as well as "passive" negligence but does not apply to the Contractor's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.
2. Additional Insured – All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies, shall contain endorsements naming the Contractor and its officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the Contractor to vicarious liability but shall allow coverage for the Contractor to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.
3. Waiver of Subrogation Rights – The Sub-Contractor shall require the carriers of required coverages to waive all rights of subrogation against the Contractor, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Sub-Contractor and Sub-Contractor's employees or agents from waiving the right of subrogation prior to a loss or claim. The Sub-Contractor hereby waives all rights of subrogation against the Contractor.
4. Policies Primary and Non-Contributory – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the Contractor.
5. Severability of Interests – The Sub-Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Sub-Contractor and the Contractor or

between the Contractor and any other insured or additional insured under the policy.

6. Proof of Coverage – The Sub-Contractor shall furnish Certificates of Insurance to the Contractor Department administering the Sub-Contract evidencing the insurance coverage at the time the Contract is executed, additional endorsements, as required, shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Sub-Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this Sub-Contract, the Sub-Contractor shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.
7. Acceptability of Insurance Carrier – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum “Best” Insurance Guide rating of “A- VII”.
8. Deductibles and Self-Insured Retention - Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.
9. Failure to Procure Coverage – In the event that any policy of insurance required under this Sub-Contract does not comply with the requirements, is not procured, or is canceled and not replaced, the Contractor has the right but not the obligation or duty to cancel the Sub-Contract or obtain insurance if it deems necessary and any premiums paid by the Contractor will be promptly reimbursed by the Sub-Contractor or Contractor payments to the Sub-Contractor will be reduced to pay for Contractor purchased insurance.
10. Insurance Review – Insurance requirements are subject to periodic review by the Contractor. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the Contractor. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the Contractor, inflation, or any other item reasonably related to the Contractor’s risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Sub-Contract. Sub-Contractor agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of the Contractor to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the Contractor.

11. The Sub-Contractor agrees to provide insurance set forth in accordance with the requirements herein. If the Sub-Contractor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Sub-Contractor agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the Sub-Contract services.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Sub-Contractor shall secure and maintain throughout the Sub-Contract term the following types of insurance with limits as shown:

- a. Workers' Compensation/Employers Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the Sub-Contractor and all risks to such persons under this Sub-Contract.

If Sub-Contractor has no employees, it may certify or warrant to the Contractor that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the Contractor's Director of Risk Management.

With respect to Sub-Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

- b. Commercial/General Liability Insurance – The Sub-Contractor shall carry General Liability Insurance covering all operations performed by or on behalf of the Sub-Contractor providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- 1) Premises operations and mobile equipment.
- 2) Products and completed operations.
- 3) Broad form property damage (including completed operations).
- 4) Explosion, collapse and underground hazards.
- 5) Personal injury
- 6) Contractual liability.
- 7) \$2,000,000 general aggregate limit.

- c. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If the Sub-Contractor is transporting one or more non-employee passengers in performance of Sub-Contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If the Sub-Contractor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

- d. Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

- e. Professional Liability – Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim or occurrence and two million (\$2,000,000) aggregate limits

or
Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) and two million (\$2,000,000) aggregate limits

or
Directors and Officers Insurance coverage with limits of not less than one million (\$1,000,000) shall be required for Contracts with charter labor committees or other not-for-profit organizations advising or acting on behalf of the County.

If insurance coverage is provided on a "claims made" policy, the "retroactive date" shall be shown and must be before the date of the start of the Sub-Contract work. The claims made insurance shall be maintained or "tail" coverage provided for a minimum of five (5) years after Sub-Contract completion.

xviii. Licenses and Permits

Sub-Contractor shall comply with all applicable laws, statutes, ordinances, administrative orders, rules or regulations relating to its duties, obligations and performance under the terms of the Sub-Contract and shall procure all necessary licenses and permits required by the laws of the United States, State of California, San Bernardino County and all other appropriate governmental agencies, and agrees to pay all fees and other charges required thereby. Sub-Contractor shall maintain all required licenses during the term of this Sub-Contract. Sub-Contractor will notify the Contractor immediately of loss or suspension of any such licenses and permits. Failure to comply with the provisions of this section may result in immediate termination of this Sub-Contract.

xix. Health and Safety

Sub-Contractor shall comply with all applicable local, state and federal health and safety codes and regulations, including fire clearances, for each site where program services are provided under the terms of the Sub-Contract.

xx. Sub-Contract Compliance/Equal Employment Opportunity

Sub-Contractor agrees to comply with the provisions of all applicable Federal, State, and County Laws, regulations and policies relating to equal employment or social services to Participant(s), including laws and regulations hereafter enacted. Sub-Contractor shall not unlawfully discriminate against any employee, applicant for employment, or service Participant(s) on the basis of race, national origin or ancestry, religion, sex, marital status, age, political affiliation, sexual orientation, or disability. Information on the above rules and regulations may be obtained from the Contractor.

xxi. Americans with Disabilities Act

Sub-Contractor shall comply with all applicable provisions of the Americans with Disabilities Act (ADA).

xxii. 2-1-1 Registration

Sub-Contractor shall register with 2-1-1 San Bernardino County Inland Empire United Way within 30 days of Sub-Contract effective date and follow necessary procedures to be included in the 2-1-1 database. The Sub-Contractor shall notify the 2-1-1 San Bernardino County Inland Empire United Way of any changes in program services, location or contact information within ten (10) days of any change. Services performed as a result of being included in the 2-1-1 database, are separate and apart from the services being performed under this Sub-Contract and payment for such services will not be the responsibility of the Contractor.

xxiii. Ownership Rights

The Commission shall have a royalty-free, non-exclusive and irrevocable license to publish, disclose, copy, translate, and otherwise use, copyright or patent, now and hereafter, all reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other materials or properties developed under this Sub-Contract including those covered by copyright, and reserves the right to authorize others to use or reproduce such material.

xxiv. Attribution

Sub-Contractor shall properly acknowledge the Contractor and Commission per the requirements stated in the First 5 San Bernardino Attribution Standards.

xxv. Incongruous Activities

Sub-Contractor agrees it will not perform or permit any political promotion or religious proselytizing activities in connection with the performance of this Sub-Contract. Sub-Contractor will ensure no staff will conduct activity intended to influence legislation, administrative rule making or the election of candidates for public office during the time compensated under this Sub-Contract or under representation such activity is being performed under this Sub-Contract.

xxvi. Reports

Sub-Contractor, in a timely and accurate manner, shall submit reports on designated key aspects of the project as required by the Contractor. Instructions, format and required information for the content will be provided by the Save the children

Report requirements include, but are not limited to and subject to change, the following:

- **Program Reports**

Sub-Contractor will submit Quarterly Program Reports which include quarterly and year-to-date progress on actual achievement of program targets compared to projected achievements as detailed in Objective and Scope of Work (Attachment 5) and other data collection information as requested by the Contractor. Quarterly Program Reports will include data on participants served as well as narrative information on lessons learned, course corrections and client success stories for the quarter. Program Reports are due the last day of the month following the end of the program reporting period.

- **Fiscal Reports**

For each calendar month, Sub-Contractor shall provide the Contractor with a Monthly Financial Report within 10 calendar days from the end of the reporting period.

Sub-Contractor shall submit any and all Final/Revised Fiscal Reports by July 20th for the previous fiscal year period or part thereof during the Sub-Contract term. All reports submitted by July 20th will be considered final and no additional reports will be accepted after this date.

Sub-Contractor will fulfill evaluation and other reporting requirements as mandated by the Contractor and the Commission.

Sub-Contractor agrees that failure to submit reports as specified will be sufficient cause for the Contractor to withhold any payment due until reporting requirements have been fulfilled.

xxvii. Pro-Children Act of 1994

Sub-Contractor will comply with Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (20 U.S.C. 6081 et seq.).

xxviii. Environmental Regulations

EPA Regulations - If the amount available to Sub-Contractor under the Sub-Contract exceeds \$100,000, Sub-Contractor will agree to comply with the Clean Air Act (42 U.S.C. section 7606); section 508 of the Clean Water Act (33 U.S.C. 1368); Executive Order 11738 [38 Fed. Reg. 25161 (Sept. 10, 1973)]; and Environmental Protection Agency regulations (40 C.F.R., part 32).

State Energy Conservation Clause – Sub-Contractor shall observe the mandatory standards and policies relating to energy efficiency in the State Energy Conservation Plan (California Code of Regulations, title 20, section 1401 et seq.).

xxix. Debarment, Suspension, and Other Responsibility Matters

As required by Executive Order 12549 [51 Fed. Reg. 6370 (Feb. 18, 1986)] and Debarment and Suspension, And Other Responsibility Matters (45 C.F.R., section 76):

- a. The Sub-Contractor certifies that it and any potential subcontractors:
 - 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions (as defined at 45 C.F.R. section 76.200) by any federal department or agency;
 - 2) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (a) (2) of this certification; and
 - 4) Have not within a three-year period proceeding this application had one or more public transactions (federal, state, or local) terminated for cause or default; and
- b. Where the Sub-Contractor is unable to certify as true any of the statements in this certification, he or she shall provide a written explanation to the Contractor prior to the execution of this Sub-Contract. A failure to comply with this section may constitute grounds for termination of this Sub-Contract.

xxx. Recycled Paper Products

The Commission has adopted a recycled product purchasing standards policy (SP 11-10), which requires Contractors and Sub-Contractors to use recycled paper for proposals and for any printed or photocopied material created as a result of a Contract with the Commission. The policy also requires Contractors and Sub-Contractors to use both sides of the paper sheets for reports submitted to the Commission whenever practicable.

Attachment E.4.
Contractor's Responsibilities

- A. Contractor shall verify performance results of Sub-Contractor according to the Objectives and Scope of Work and other data collection information requested by the Contractor in meeting terms of this Sub-Contract and the quality and effectiveness of services provided, based on criteria agreed upon, as delineated in this Sub-Contract.
- B. Contractor shall compensate Sub-Contractor for approved expenses in accordance with Section C of this Sub-Contract.
- C. Contractor shall specify all reports and deliverables required from the Sub-Contractor.
- D. Contractor shall provide technical assistance as deemed necessary.
- E. The Contractor will designate one individual to serve as the primary contact for the Sub-Contract and will notify the Sub-Contractor of this designee within 15 days of the Sub-Contract approval date.

Attachment E.5.

Objectives and Scope of Work

Program Goals:

Early Steps to School Success (ESSS) is designed to assist children with early language development as well as social and emotional development; and to equip parents with skills and knowledge to successfully support their child's growth. The resulting strong foundation of learning provided by ESSS will help prepare low-income, underserved children for success in school. With implementation tailored to meet the particular needs of each community and ethnic group, ESSS works to meet four goals:

1. Children develop the language and pre-literacy skills that are essential for school success.
2. Parents learn how to support their child's language development and pre-literacy education.
3. School based parent-child group activities support positive home/school connections early in the child's life and help parents and children transition to school.
4. Early childhood knowledge and expertise increases throughout the community.

PSD will use funds outlined in attached budget (Attachment E.7.) to provide early childhood education services to 450 children pre-birth to five years of age and educational services to their parents and/or other caregivers. The services are to be provided in the high and low desert and mountain communities. PSD will use funds outlined in attached budget to fund nine (9) full time, full year Early Education Coordinators positions and one (1) full time, full year Site Supervisor and all associated benefits for all ten (10) positions mentioned above.

PSD will be equipped to provide the following services:

- **Monthly** parent/child support and education groups in schools and community settings will be led by trained early childhood staff.
- Social/emotional development, language development and pre-literacy education activities for children and parents will be provided through **biweekly (twice per month)** home visits by trained early childhood staff. The early childhood home visits will help build a strong foundation of learning for children and also help to reduce the isolation of children and parents in these rural communities.
- The schools and community agencies will initiate "transition to school" activities which will connect parents and children to the preschool or kindergarten they will attend.
- Children and parents will participate in the "Raising a Reader" literacy program and books will be available for children from birth to five years of age.

Sub-contractor agrees to:

- Participate in orientation and training activities, site visits and program implementation support from Contractor staff and its contractors.
- Participate in an ongoing program evaluation.
- Provide onsite supervision to the Early Childhood Coordinators.
- Provide the following: office supplies, office space, telephone, computer, printer and other reasonable office materials to the Early Childhood Coordinators as needed.

Attachment E.6. Performance Standards

Sub-contractor agrees to *at minimum*, meet the following program standards for this first year of implementation*:

- ❖ Average number of children enrolled in the 0-3 Home Visiting Program (HVP) per site –20
- ❖ Average number of times children are read to per month – 15
- ❖ Average number of home visits per family per month – 2
- ❖ Average number of hours of training and technical assistance provided to each site per year—60
- ❖ Average number of parent group meetings held each year by partner – 10
- ❖ Average number of books distributed per site per months in the Book Bag Exchange – 100
- ❖ Average number of school and community agency meetings held per year per site - 3

Performance Standards for subsequent years will be amended each year.

**Year 1
FY 10-11**

Page 1

Year 2
FY 11-12

Save the Children Partner Budget										To be filled Formula, do not edit	
Fiscal Agent	# of Children In-School	Literacy	CHANGE	# of Children Home Visits	ESSS	Total					
County of San Bernardino Preschool Services Dept.	After-School	0	0	0		-					
Site Name	Summer School					-					
County of San Bernardino Preschool Services Dept.	Monthly Meetings					-					
Date Prepared: 14-Jul-10											
Prepared by: Michael Kerr											
Program Year 2010-2011 Partner Program Budget											
Line Items	Expense Description	Account Code	Units	Unit cost	Units	Total	Save the Children Grant Funded	Match from Site	Total Budget	Variance (should be zero)	
Early Childhood Costs											
In this Early Childhood Costs section, please include costs for Early Childhood Development Program (if applicable)											
Early Childhood Personnel (provide position title and staff name if known) - List unit, unit cost and total amounts in the appropriate column for Early Childhood staff											
Early Childhood Coordinator				Salary	# of Positions	308,880.00	308,880.00		308,880.00	-	
Project Supervisor				34,320	9	42,640.00	42,640.00		42,640.00	-	
Fringe				Salary Sub-Total		84,364.80	84,364.80		84,364.80	-	
Fringe				%		24%	-		-	-	
Sub-total Early Childhood Personnel Cost				351,520		435,884.80	435,884.80		435,884.80	-	
Early Childhood Activities - List unit, unit cost and total amounts											
Travel-Home Visits				Mileage Rate	Total Miles	54,000.00	54,000.00		54,000.00	-	
				0.50	108,000						
Travel (mileage)	attend Save the Children trainings			Mileage Rate	Total Miles	900.00	900.00		900.00	-	
				0.50	1,800						
Telecommunication Costs				Unit Cost	Quantity	5,400.00	5,400.00		5,400.00	-	
				600	9						
Early Childhood Materials/Program Supplies	First Year Only			Unit Cost	Quantity	-	-		-	-	
						-	-		-	-	
Office Supplies				Unit Cost	Quantity	-	-		-	-	
						-	-		-	-	
Peabody Picture Vocabulary Test (PPVT)	(3 year olds)			Cost Per test	# of Children	-	-		-	-	
						-	-		-	-	
Furniture and Equipment	1st Yr: replacement considered at yr 4-5 (if needed)			Cost/Unit	Quantity	-	-		-	-	
						-	-		-	-	
ESSS Coordinator Computer	1st Yr: replacement considered at yr 4-5 (if needed)					-	-		-	-	
						-	-		-	-	
Sub-total Early Childhood Activities Cost						60,300.00	60,300.00		60,300.00	-	
Total Early Childhood cost						496,184.80	496,184.80		496,184.80	-	

**Year 3
FY 12-13**

Save the Children Partner Budget									
Fiscal Agent	# of Children	Literacy	CHANGE	# of Children	ESSS	Total	To be filled Formula, do not edit		
County of San Bernardino Preschool Services Dept.	In-School			Home Visits		-			
Site Name	After-School	0		0		-			
County of San Bernardino Preschool Services Dept.	Summer School					-			
Date Prepared: 14-Jul-10	Monthly Meetings								
Prepared by: Michael Kerr									
Program Year 2010-2011 Partner Program Budget									
Line Items	Explain the items included In this line and the calculations behind the expense amount	Account Code	Units	Unit cost	Units	Total	Save the Children Grant Funded	Match from Site	Variance (should be zero)
Early Childhood Costs									
Early Childhood Personnel (provide position title and staff name if known) - List unit, unit cost and total amounts in the appropriate column for Early Childhood staff									
Early Childhood Coordinator			Salary	# of Positions		321,235.20	321,235.20		-
Project Supervisor			35,693	9		44,345.60	44,345.60		-
Fringe			Salary Sub-Total	%		87,739.39	87,739.39		-
Fringe			365,581	24%		453,320.19	453,320.19		-
Sub-total Early Childhood Personnel Cost									
Early Childhood Activities - List unit, unit cost and total amounts									
Travel-Home Visits			Mileage Rate	Total Miles		54,000.00	54,000.00		-
			0.50	108,000					-
Travel (mileage)	attend Save the Children trainings		Mileage Rate	Total Miles		900.00	900.00		-
			0.50	1,800					-
Telecommunication Costs			Unit Cost	Quantity		5,400.00	5,400.00		-
			600	9					-
Early Childhood Materials/Program Supplies	First Year Only		Unit Cost	Quantity					-
									-
Office Supplies			Unit Cost	Quantity					-
									-
Peabody Picture Vocabulary Test (PPVT)	(3 year olds)		# of Children	Cost Per test					-
									-
Furniture and Equipment	1st Yr: replacement considered at yr 4-5 (if needed)		Cost/Unit	Quantity					-
									-
ESSS Coordinator Computer	1st Yr: replacement considered at yr 4-5 (if needed)								-
									-
Sub-total Early Childhood Activities Cost									
							60,300.00	-	-
Total Early Childhood cost							513,620.19	-	513,620.19

Attachment E.8. Financial Report Guidelines

Contractor's in-system financial reporting guidelines are as follows:

- A. Financial reports should be provided from the financial software of the Sub-Contractor ("in system reports"). If the Sub-Contractor has multiple agreements with Contractor, a separate report is needed for each agreement where each report covers only up to one site of program implementation for the Sub-Contractor.
- B. Expenditures should be reported to Contractor using the modified cash basis accounting method. Any necessary accounting adjustments must be made in the current reporting period only. Once a period is reported upon to Contractor and closed, no adjustments may be made to prior reporting periods.
- C. The format of the financial report should include the following items:
- 1) Budget columns by program costs, line item account codes, and subtotals of program expenses. The financial report budget columns should list the same line items and amounts as indicated in the Partner budget (Attachment E.4.).
 - 2) Actual period expenditures column that corresponds to the applicable program costs, account codes and subtotals as per item listed in the budget in Attachment E.4.
 - 3) Cumulative (YTD) expenditures column that corresponds to the applicable program costs, account codes and subtotals as per lines included in the budget in Attachment 4.
 - 4) Balance remaining by program cost, account code and subtotal as per items listed in the budget in Attachment E.3.
 - 5) Reconciliation of program funds summary:
Program funds received Less: Actual cumulative expenditures Equals: Program funds remaining
- D. The financial reporting periods and dates are as follows:
For each calendar month, Sub-Contractor shall provide Contractor with a Monthly Financial Report within 10 calendar days from the end of the reporting period.

Sub-Contractor shall submit any and all Final/Annual Fiscal Reports by July 20th for the previous fiscal year period or part thereof during the Sub-Contract term. All reports submitted by July 20th will be considered final and no additional reports will be accepted after this date.

Sub-Contractor will fulfill evaluation and other reporting requirements as mandated by the Contractor and the Commission.

Sub-Contractor agrees that failure to submit reports as specified will be sufficient cause for the Contractor to withhold any payment due until reporting requirements have been fulfilled.

- E. Signed and dated: All financial reports must be signed and dated by the following individuals depending on the fiscal agent managing this sub-contract for your school:

For Board of Education:

- Finance Officer and the school Superintendent
- For Community Based Organizations: Lead Finance Staff (or CPA if applicable) and Board President.

- F. Contractor Finance Contact:

- Finance correspondence and most importantly the submission of finance reports should be sent the attention of the Contractor Finance Staff or his/her replacement. Contact information is below.

Michael Kerr
Manager, Finance and Sub-contracts
814 N. Van Ness Ave.
Fresno, CA 93728
(559) 475-0240 ext 102
(559) 475-0241
mkerr@savechildren.org

Attachment E.9. Child Safety Policy

Contractor is committed to conducting its programs in a manner that is safe for the children it serves and helping protect the children with whom Contractor is in contact. As a humanitarian agency, Contractor is obliged to create and maintain an environment that aims to prevent the sexual exploitation and abuse of children and promote the implementation of its child safety policy. Contractor and its representative sub-contractor (Preschool Services Department's employees, volunteers, interns, consultants, board members) and others who work with children on Contractor's behalf – are expected to conduct themselves in a manner consistent with this commitment and obligation.

Contractor meets its commitment to conduct programs that are safe for the children it serves and to help protect children through the following means:

Awareness: Ensuring that all Contractor representatives are notified of and made aware that they are expected to comply with the policy.

Prevention: Striving, through awareness and good practice, to minimize the risks to children and take positive steps to help protect children who are the subject of any concerns.

Reporting: Ensuring that all Contractor representatives know what steps to take where concerns arise regarding the safety of children.

Responding: Engaging in action that supports and protects children when concerns arise regarding their safety; supporting those who raise such concerns; investigating or cooperating with any subsequent process of investigation; and taking appropriate responsive action.

All Contractor representatives are required to conform their behavior and conduct Contractor programs in accordance with the following principles:

1. Sexual activity with children (persons under the age of 18) is expressly prohibited regardless of the local age of majority or age of consent. Mistaken belief in the age of the child is not a defense.
2. The exchange of money, employment, goods or services for sex, including sexual favors or other forms of humiliating, degrading or exploitative behavior with children, is expressly prohibited. This includes exchange of assistance due to children benefiting from Contractor programming.
3. All Sub-Contractor representatives who have contact with children or access to sensitive information about children in Contractor's programs are to be informed of the Contractor's child safety policies and standards.
4. Sub-Contractor representatives must not stay alone overnight with one or more children benefiting from Contractor programs who are not part of their immediate or extended family, whether in their house, project premises or elsewhere.
5. Sub-Contractor representatives must behave in an appropriate and culturally sensitive way. They must not hit, physically assault or inappropriately touch children; use language, make suggestions or offer advice which is inappropriate, offensive or abusive; behave in a manner that is sexually provocative; act in ways intended to shame, humiliate, belittle or degrade children; or otherwise perpetrate any form of emotional abuse.
6. Where possible and practical, the 'two-adult' rule, wherein two or more adults supervise all activities where children are involved and are present at all times, should be followed.
7. Sub-Contractor representatives may work with children who, because of the circumstances and abuses to which they may have been subjected, may use a relationship to obtain "special attention." Sub-Contractor representatives must understand that the adult is always considered responsible for maintaining an appropriate relationship, even if a child behaves inappropriately.

8. Sub-Contractor representatives should not place themselves in compromising or vulnerable positions and should take care not to discriminate against, show differential treatment towards, or favor particular children to the exclusion of others.
9. In communications about children, Sub-Contractor representatives must use only images and language that are respectful and culturally appropriate. For photographs, children must be adequately clothed in accordance with local custom, and poses that could be interpreted as sexually suggestive must not be used.
10. Sub-Contractor reserves the right to conduct criminal background checks as it deems appropriate and as permitted by law.

Reporting a Possible Violation

Sub-Contractor shall comply with the Preschool Services Department County of San Bernardino Standard Practice Manual Policy entitled Procedures for Reporting Child Abuse and Unusual Incidents in the performance of this contract.

Attachment E.10. Special Provisions

E.10.a. CORRECTION OF PERFORMANCE DEFICIENCIES AND TERMINATION

- A. Failure by Sub-contractor to comply with any of the provisions, covenants, requirements, or conditions of this Sub-Contract shall be a material breach of this Sub-Contract. In such event the Contractor and or the Commission, in addition to any other remedies available at law, in equity, or otherwise specified in this Sub-Contract, may:
- Afford Sub-Contractor a time period within which to cure the breach, which period shall be established at the sole discretion of Contractor; and/or
 - Request Sub-contractor provide and implement an action plan to correct breach within a reasonable timeframe; and/or
 - Discontinue reimbursement to the Sub-contractor for and during the period in which the Contractor is in breach, which reimbursement shall not be entitled to later recovery; and/or;
 - Withhold funds pending duration of the breach; and/or
 - Offset against any monies billed by the Sub-Contractor but yet unpaid by the Contractor those monies disallowed pursuant to bullet 3 of this paragraph; and/or
 - Immediately terminate this Sub-Contract with just cause and be relieved of the payment of any consideration to the Sub-Contractor should the Sub-Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, Contractor and or the Commission may proceed with the work in any manner deemed proper by the Contractor. The cost to Contractor and or the Commission shall be deducted from any sum due to the sub-Contractor under this Sub-Contract and the balance, if any, shall be paid by the Sub-Contractor upon demand.
- B. Contractor, on behalf of the Commission, shall give Sub-Contractor notice of any action pursuant to this paragraph, which notice shall be effective when given.
- C. Contractor is authorized to exercise Commission's rights with respect to initiating any remedies or termination of this Sub-Contract in his/her sole discretion and to give notice as set forth below in this Sub-Contract.

E.10.b. Sub-contracts/Sub-Contracts

The Sub-Contractor shall not enter into any sub-contracts or sub-contracts using Contractor sub-contract funds without the prior written authorization and approval of Contractor. The Sub-Contractor is responsible for all work performed under this sub-contract.

E.10.c. Federal Discrimination Laws

The Sub-Contractor will comply with all applicable provisions of the following federal regulations both in service delivery to clients and in employment as stated in the Code of Federal Regulations including the following:

45 CFR Part 96, 45 CFR Part 80, 45 CFR Part 84, 45 CFR Part 90, 41 CFR Parts 60-741, and 28 CFR Part 35.

E.10.d. Employment Practices

The Sub-Contractor shall not discriminate against any employee, applicant for employment, or subcontractor as prohibited by law. In addition, the Sub-Contractor shall be responsible for insuring that all subcontractors comply with all federal and state laws and regulations related to discrimination.

Upon a final determination, by a court or administrative body having proper jurisdiction, that the Sub-Contractor has violated state or federal laws and regulations, the Contractor may impose a range of appropriate remedies, up to and including termination of the sub-contract.

E.10.e. Due Diligence Compliance

The Sub-Contractor is reminded that U.S. Executive Orders and U.S. law prohibits transactions with and the provision of resources and support to individuals and organizations associated with terrorism. It is the legal responsibility of the Sub-Contractor to ensure compliance with these Executive Orders and laws.

E.10.f. Certification Regarding Lobbying

The Sub-Contractor will comply with Public Law 101-121, section 319 (section 1352 of Title 31 U.S.C.) for an award in excess of \$100,000 by certifying that appropriated federal funds have not been or will not be used to pay any person to influence or attempt to influence a federal official/employee in connection with the awarding of any federal sub-contract, sub-contract, loan or cooperative agreement.

If the Sub-Contractor has paid or will pay for lobbying using funds other than appropriated federal funds, Standard Form-LLL Disclosure of Lobbying Activities shall be completed and included as an attachment to the sub-contract.

E.10.g. Certification Regarding Debarment

Contractor requires:

The Sub-Contractor, as a lower tier recipient of \$25,000 or more in federal funds, will comply with Executive Order 12549, Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transactions.

By signing and submitting this lower tier proposal, the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principles:

- are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency.
- where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal.

E.10.h. Contract Variation

Contractor requires:

If any provision of the sub-contract (including items incorporated by reference) is declared or found to be illegal, unenforceable, or void, then both Contractor and the Sub-Contractor shall be relieved of all obligations arising under such provision. If the remainder of the sub-contract is capable of performance, it shall not be affected by such declaration or finding and shall be fully performed.

FINANCIAL LIABILITY: Contractor has the right to terminate this Sub-Contract Agreement and seek legal recourse for the total or partial repayment of the Sub-Contract, in the event of violations of any of the aforementioned conditions by the Sub-Contractor.

E.10.i. Ownership of Documentation

All documents and deliverables prepared by the Sub-Contractor and accepted by the Contractor shall become the property of the Contractor and shall not be used for any other

purpose by the Sub-Contractor without the Contractor's specific written consent.

E.10.j. Use and Ownership of Software and Hardware

The Sub-Contractor will have access to all software the Contractor requires the Sub-Contractor to use in the performance of the services covered in the Sub-Contract, subject to customary confidentiality and other license terms and conditions.

E.10.k. Contractor's Disclosure

The Sub-Contractor is required to sign a disclosure form regarding the individual or the organization having officers who are members of the General Assembly, a constitutional officer, board or commission member, state employee, or the spouse or immediate family member of any of the above.

STUDENT DATA: The Sub-Contractor must provide access to student data for all children in Contractor's programs acquiring appropriate permissions regarding confidentiality as necessary.

ORDER OF PRECEDENCE: In case of a conflict of terms, the following shall be the order of precedence:

1. The Cover Letter and Attachment E.1. Terms and Conditions
2. Attachment E.5. Objectives and Scope of Work
3. Attachment E.7. Budget

E.10.l. Arbitration

If a dispute arises out of or relates to this Sub-Contract, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to arbitration, litigation, or some other dispute resolution procedure. If the matter is not resolved within 60 days after initiation of mediation, either party may demand arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. The demand for arbitration shall state with specificity the claims or issues to be arbitrated. The parties shall select a mutually acceptable arbitrator within ten (10) days of receiving the list from the American Arbitration Association Administrator in the State of California, and in the event the parties are unable to do so, the parties or their attorneys may request the American Arbitration Association to appoint the neutral arbitrator. The place of arbitration shall be in California in the United States.

E.10.m. Limitations on Liability

E.10.n.i. Contractor shall not be liable for:

- (a) Any third party claims, losses and expenses that may arise from Sub-Contractor's negligent, recklessness or intentional act or omission that is related to or in connection with this Sub-contract Agreement.
- (b) Compensation for the death, disability, or other hazards which may be suffered by the employees, vendors, agents or other representatives of Sub-Contractor arising from Sub-Contractor's performance in connection with this Sub-contract Agreement; and/or
- (c) Any expenditure incurred by Sub-Contractor in excess of its contribution as specified in this Sub-contract Agreement.

E.10.n.ii. Contractor has no obligation to:

Provide other or additional support to the Sub-Contractor for implementation of the current program or for any other purposes.

E.10.o. Representations, Warranties, and General Conditions

E.10.o.i. Representations and Warranties

Sub-Contractor represents and warrants that: (i) it is authorized and has the right and ability to undertake the obligations as set forth in this Sub-contract Agreement, and (ii) it is properly registered in all jurisdictions as may be required to perform its obligations under this Sub-contract Agreement.

E.10.o.ii. Prohibition Against Terrorist Financing

The Sub-Contractor certifies that it has not provided and will not provide material support or resources to any individual or entity that it knows, or has reason to know, is an individual or entity that advocates, plans, sponsors, engages in or has engaged in terrorist activity.

Attachment E.11. Right to Monitor and Audit

E.11.a. Right to Monitor and Audit

The Contractor, the Commission or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Auditor General, shall have absolute right to monitor and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested directly related to the services performed pursuant to this Sub-Contract, and shall have absolute right to observe the performance of Sub-Contractor in the delivery of services provided under this Sub-Contract with reasonable notice to Sub-Contractor and in compliance with confidentiality regulations. Sub-Contractor shall give full cooperation during any auditing or monitoring conducted.

Sub-Contractor shall cooperate with Contractor in the implementation and evaluation of this Sub-Contract and comply with any and all reporting requirements established by Contractor and the Commission.

E.11.b. Availability of Records

Sub-Contractor will have available for Contractor review, all relevant financial records for the fiscal year being audited including documentation to verify shared costs or costs allocated to various funding sources as well as the basis for which the shared cost was allocated.

Program data shall be retained locally in San Bernardino County and made available upon request or turned over to Contractor. If said records are not made available at the scheduled monitoring visit, Sub-Contractor may, at Contractor's option, be required to reimburse Contractor for expenses incurred due to required rescheduling of monitoring visit(s). Such reimbursement will not exceed \$50 per hour (including travel time) and be deducted from the invoiced monthly payment.

i. Assistance by Sub-Contractor

Sub-Contractor shall provide all reasonable facilities and assistance for the safety and convenience of Contractor's representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work of the Sub-Contractor.

ii. Independent Audit Provisions

On an annual basis, Sub-Contractor is required to hire an independent licensed Certified Public Accountant (CPA), who shall prepare and file with the Contractor, an Independent Auditor's Report for the term of the Sub-Contract.

iii. Recovery of Investigation and Audit Costs

Sub-Contractor shall reimburse the Contractor for all direct and indirect expenditures incurred in conducting an audit/investigation when Sub-Contractor is found in violation of the terms of the Sub-Contract. Reimbursement for such costs will be withheld from any amounts due to Sub-Contractor.

When additional information (receipts, paperwork, etc.) is requested of the Sub-Contractor as a result of any audit or monitoring, Sub-Contractor must provide all information requested by the deadline specified by the Contractor. A failure to provide the information by the specified deadline, will subject the Sub-Contractor to the provisions of Section VII (Correction of Performance Deficiencies and Termination).

Attachment E.12.
GENERAL PROVISIONS

E.12.a. Notices

When notices are required to be given pursuant to this Sub-Contract, the notices shall be in writing and mailed to the following respective addresses listed below.

Sub-Contractor: Preschool Services Department
County of San Bernardino
Attention: Director
662 South Tippecanoe Ave.
San Bernardino, CA 92415

Contractor: Save the Children Federation, Inc.
814 N. Van Ness Ave.
Fresno, CA 93728

- E.12.b. Contractor shall have Power of Attorney to pay delinquent debts and unpaid wages from accounts payable to Sub-Contractor in the event debts and wages have not been paid on a current basis.
- E.12.c. Nothing contained in this Sub-Contract shall be construed as creating a joint venture, partnership or employment arrangement between the parties hereto, nor shall either party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the party hereto.
- E.12.d. No waiver of any of the provisions of the Sub-Contract shall be effective unless it is made in a writing which refers to provisions so waived and which is executed by the parties in an amendment to this Sub-Contract. E.11.e. Any alterations, variations, modifications, or waivers of provisions of the Sub-Contract, unless specifically allowed in the Sub-Contract, shall be valid only when they have been reduced to writing, duly signed and approved by the authorized representatives of both parties as an amendment to this Sub-Contract. No oral understanding or contract not incorporated herein shall be binding on any of the parties hereto. No course of dealing and no delay or failure of a party in exercising any right under any contract shall affect any other or future exercise of that right or any exercise of any other right. A party shall not be precluded from exercising a right by its having partially exercised that right or its having previously abandoned or discontinued steps to enforce that right.
- E.12.e. If any provision of the Sub-Contract is held by a court of competent jurisdiction to be unenforceable or contrary to law, it shall be modified where practicable to the extent necessary so as to be enforceable, giving effect to the intention of the parties, and the remaining provisions of the Sub-Contract shall not be affected.
- E.12.f. This Sub-Contract shall be governed by and construed in all aspects in accordance with the laws of the State of California without regard to principles of conflicts of laws. The parties agree to the exclusive jurisdiction of the federal and state courts located in the County of San Bernardino, for any and all disputes arising under this Sub-Contract, to the exclusion of all other federal and state courts.
- E.12.g. Sub-Contractor understands and agrees that any and all legal fees or costs associated with lawsuits against Contractor concerning this Sub-Contract shall be Sub-Contractor's sole expense and shall not be charged as a cost under this Sub-Contract. In the event of any contract dispute hereunder, each party to this Sub-Contract shall bear its own attorneys' fees and costs regardless of who prevails in the outcome of the dispute.

E.12.h. Equal Employment Opportunity/Civil Rights

a. Equal Employment Opportunity Program

Sub-Contractor agrees to comply with: the provisions of the County of San Bernardino Equal Employment Opportunity Program and rules and regulations adopted pursuant thereto; Executive Order 11246 [30 Fed. Reg. 12319 (Sept. 24, 1965)], as amended by Executive Orders 11375, 11625, 12138, 12432, and 12250; Title VII of the Civil Rights Act of 1964 (42 U.S.C. section 2000(e), et seq.); Division 21 of the California Department of Social Services Manual of Policies and Procedures; California Welfare and Institutions Code section 10000; the California Fair Employment and Housing Act (Cal. Gov. Code section 12900, et seq.); and other applicable federal, state, County and Commission laws, regulations and policies relating to equal employment or social services to welfare recipients, including laws and regulations hereafter enacted.

The Sub-Contractor shall not unlawfully discriminate against any employee, applicant for employment, or service recipient on the basis of race, color, national origin or ancestry, religion, sex, marital status, age, political affiliation or disability. Information on the above rules and regulations may be obtained from the Contractor.

b. Civil Rights Compliance

The Sub-Contractor shall develop and maintain internal policies and procedures to assure compliance with each factor outlined by State regulation. These policies must be developed into a Civil Rights Plan, which is to be on file with the Contractor within thirty (30) days of awarding of the Sub-Contract. The Plan must address prohibition of discriminatory practices, accessibility, language services, staff development and training, dissemination of information, complaints of discrimination, compliance review, and duties of the Civil Rights Liaison. Upon request, the Commission will supply a sample of the Plan format. The Sub-Contractor will be monitored by the Contractor for compliance with provisions of its Civil Rights Plan.

E.12.i. Improper Consideration

Sub-Contractor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the Contractor in an attempt to secure favorable treatment regarding this Sub-Contract.

The Contractor, by written notice, may immediately reject any proposal or terminate any Sub-Contract if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the Commission with respect to this Sub-Contract. This prohibition shall apply to any amendment, extension or evaluation process once a Sub-Contract has been awarded.

Sub-Contractor shall immediately report any attempt by a Contractor officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Sub-Contractor. The report shall be made to the supervisor or manager charged with supervision of the employee or to the Contractor Administrative Office. In the event of a termination under this provision, the Commission is entitled to pursue any available legal remedies.

E.12.j. Disclosure of Criminal and Civil Proceedings

The Contractor reserves the right to request the information described herein from the Sub-Contractor. Failure to provide the information may result in termination of the Sub-Contract. The Contractor also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The Sub-Contractor also may be requested to provide information to clarify initial responses. Negative information provided or discovered may result in termination of the Sub-Contract.

The Sub-Contractor may be asked to disclose whether the firm or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving

financial misconduct or fraud. If the response is affirmative, the Sub-Contractor will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the Sub-Contractor may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Sub-Contractor will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For the purposes of this provision "key employees" includes any individuals providing direct service to the Contractor. "Key employees" do not include clerical personnel providing service at the Contractor's offices or locations.

By signing this sub-contract agreement, both the Save the Children and Sub-Contractor's Authorized representatives are certifying that they agree to the criteria set forth in this document and the attachments therein.

Contractor Authorized Signature	Title	Date
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Print Name

Sub-Contractor Authorized Signature	Title	Date
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Print Name