

county of Santa Cruz

HUMAN RESOURCES AGENCY

CECILIA ESPINOLA, ADMINISTRATOR 1000 EMELINE ST., SANTA CRUZ, CA 95060 (408) 454-4130 OR 454-4045 FAX: (408) 454-4642

April 24,200 1 Agenda: May 8, 2001

BOARD OF SUPERVISORS County of Santa Cruz 701 Ocean Street Santa Cruz, California

APPROVE CALWORKS MICROENTERPRISE PROGRAM CONTRACT

Dear Members of the Board,

During Fiscal Year 2000/2001 budget hearings, your Board approved the Human Resources Agency (HRA) CalWORKs Welfare-to-Work Program, which offers a range of employment, training, and support services to assist CalWORKs participants' progress toward self-sufficiency. Services to some CalWORKs participants have focused on self-employment in microenterprises. The purpose of this letter is to recommend approval of a contract for a CalWORKs Microenterprise Assistance Program to extend through FY 01/02.

Background

Microenterprises are very small business ventures that do not meet the criteria for conventional business planning or loans, primarily due to their size and scope. As one aspect of the FY 00/01 CalWORKs program, HRA has provided training and consultation in the Career Centers to 33 CalWORKs participants exploring microenterprises as an option to achieve independence from aid. HRA currently has a small contract with El Pajaro Community Development Corporation (CDC) to conduct introductory training on the basics of small business and assist CalWORKs participants who are working toward viable self-employment to develop a business plan. As demand has grown for this service, HRA has identified an increasing number of candidates for a more intensive level of support to take their small business from concept to self-sufficiency. HRA would like to contract with El Pajaro CDC to offer additional microenterprise start-up support for these CalWORKs participants. The purpose of the contract will be to increase each participant's earnings so that they will be able to leave CalWORKs aid and become self-sufficient.

El Pajaro CDC is the non-profit business incubator that developed Plaza Vigil in Watsonville, and over the past fiscal year has provided technical assistance to over 100 small businesses. The mission of El Pajaro CDC is to promote equal access to economic opportunity. El Pajaro CDC provides a complete array of microenterprise services that include evaluating business ideas for potential success, assessing the market for new enterprises, teaching basic business skills, packaging loans, and offering day-to-day technical assistance and support to new enterprises. In addition, El Pajaro CDC offers its expertise to

BOARD OF SUPERVISORS

Agenda: May 8, 2001

Approval of Contract for Welfare-to-Work Microenterprise Program

0136

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determine capital needs, assist with purchase of needed equipment and supplies, and refine projections of income.

Proposed Contract

HRA proposes a comprehensive contract with El Pajaro CDC to provide a continuum of service: from assessing business ideas to monitoring business performance of participants who will be leaving CalWORKs generating self-sufficient incomes. El Pajaro CDC will screen participants to determine the viability of the business concept before the classroom training begins. After the four-session classroom training, El Pajaro CDC will provide one-on-one technical assistance for each participant to develop and actualize his/her business plan. This technical assistance will be tailored to the individual needs and could include setting up bookkeeping, developing marketing, and other initial business needs. Additionally, since most CalWORKs participants are unlikely to be able to secure the necessary small business loans on their own, El Pajaro CDC will provide ancillary start-up assistance with program funds. Through its intensive microenterprise expertise and follow-up, El Pajaro CDC will help participants move off aid.

The proposed contract will be financed with CalWORKs single allocation, at no additional cost to the County. This contract for a total of \$115,000 will begin May 8, 2001 and continue through June 30, 2002. HRA plans to used the remainder of this fiscal year to refer participants for enrollment with El Pajaro CDC and to develop this new program in preparation for participants to utilize the expanded services in July 2001. The contract has been approved by County Counsel and Risk Management, signed by the Contractor, and has been placed on file with the Clerk of the Board.

IT IS THEREFORE RECOMMENDED that your Board approve a contract with El Pajaro Community Development Corporation for a CalWORKs Microenterprise Assistance Program in the amount of \$115,000 and authorize the Human Resources Agency Administrator to sign the contract on behalf of the County.

Very truly yours,

CECILIA ESPINOLA

Administrator

CE/LL/GG/EFM:efm/MicroenterpriseBos.doc

Cecilia Espindulas

RECOMMENDED:

Susan A. Mauriello

County Administrative Officer

Attachment

cc: County Administrative Office

Auditor-Controller County Counsel Risk Management Contractor

COUNTY OF SANTA CRUZ

Vendor 07933

REQUEST FOR APPROVAL OF AGREEMENT

TO:	Board of Supervisors County Administrative Officer Cointy Counsel Autlitor-Controller		FROM: - - - - - - - - - - - - -		Resources Ag		(Dept.)
The	Board of Supervisors is hereby requ	uested to approve the att	tached agre	ement and	authorize the execu	tion of the	same.
	Said agreement is between the Humand El Pajaro Community The agreement will provide a mic	roenterprise pr	rp. Plaz rogram,	inclu	.1, Suite 209 Watso ding trainin	onville g, tech	(Name & Address)
	participants.	rt for Garworks	s werrs	re-to-1	vork seil-em	<u>royea</u>	
3.	The agreement is needed because	e the County ca	annot pi	ovide	the service.		
4.	Perisd of the agreement is from	May 8 , 2001		to	June 30,	2002	
5.	Antitipated cost is $$\frac{115,000}{}$.	00 (C21WORKs si	ingle A	llocat	LOTL)(Fixed amount	; Monthly r	ate; Not to exceed)
6.	Remarks <u>FY 00/01 \$15,900</u>	FY 01/02 \$99,	,100 =	3115,00	00.00		
7.	Appropriations are budgeted in3	92100			(Index#)	5665	(Subobject)
	NOTE: IF APPRO	PRIATIONS ARE INSUI					
	propriation are not available and ha		GA	RY A. KNI	02402 pz JTSON, Auditor - Co	ontroller	26-20 0 Deputy.
Pro	pposul reviewed and approved. It is r	recommended that the Bo			_		ize the
		(Agend		4	County Administrativ	ve Officer	4/20/01
<u></u>	greement approved as to form. Date						
Dis	stribution: Bd. of Supv. • White Aud tor-Controller • Blue County Counsel - Green • Co. 4dmin. Officer • Conary Aud tor-Controller • Pink Originating Dept. • Goldenrod 'To Orig. Dept. if rejected.	State of California, do here said Board of Supervisors on the minutes of said Board	reby certify th S as recomme	at the foreg		al of agreemer Officer by an County Adi	nt was approved by order duly entered ministrative Officer

INDEPENDENT CONTRACTOR AGREEMENT

THIS CONTRACT is entered into this 8st day of May, 2001 by and between the COUNTY OF SANTA CRUZ HUMAN RESOURCES AGENCY, hereinafter called COUNTY, and, EL PAJARO COMMUNITY DEVELOPMENT CORPORATION, hereinafter called CONTRACTOR. The parties agree as follows:

- 1. DUTIES. CONTRACTOR agrees to exercise special skill to accomplish the following result:
 - Participate in training sessions and development of materials for Employment Training Specialists and social workers to encourage appropriate CalWORKs referrals to the Microenterprise Program.
 - Prepare CalWORKs participants for successful self-employment through instruction on the
 fiscal and legal responsibilities; financial management and cash flow; personnel management
 and marketing; and assistance in developing a formal business plan and applying for a bank
 loan.
 - Assist CalWORKs participants new business succeed through personalized technical assistance follow-up to answer typical problems with bookkeeping, inventory control, marketing and other business issues for an average of three hours per participant.
 - Support 20 CalWORKs participants with start-up grants to purchase essential business needs including but not limited to equipment and advertising.
 - Evaluate the new microenterprise programs success with CalWORKs participants and report to Human Resources Agency.
- COMPENSATION. In consideration for CONTRACTOR accomplishing said result, COUNTY agrees to pay CONTRACTOR as follows:
 - Payment will be made on a reimbursement basis based on suitable monthly invoices from the contractor.
 - Total amount for contract not to exceed \$115,000.
 - Contractor may make adjustments to the contract budget of up to 10% of the total budget by notifying the County in writing. Changes over 10% or changes in term, conditions or total contract amount must be approved by the Board of Supervisors.
 - Contractors which are non-profit, community based organizations granted tax-exempt status under Internal Revenue Code Section 501 may receive a one-time advance of up to one quarter of the total contract amount for expenses necessary under this Agreement. Prior to granting an advance, CONTRACTOR must submit a written request detailing the need for an advance, including a grant request/expenditure report form as provided by the COUNTY and evidence that contract activities cannot be carried out without the advance. Such evidence shall consist of a current balance sheet, cash flow statement, or other documentation, which adequately supports the request. Advances must be approved in writing by the Human Resources Agency. Each subsequent payment will be based on actual services.

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Submit invoice for payment to:

Human Resources Agency - CareerWorks Division

Initial <u>GM efm I</u> Contractor/County

0139

Attn: Barbara Coy-Bulicz P. 0. Box 1320

Santa Cruz, CA. 95061

3. TERM. The term of this contract shall be May 8, 2001 through June 30, 2002.

- 4. <u>EARLY TERMINATION</u>. Either party hereto may terminate this contract at any time by giving 30 days written notice to the other party.
- 5. <u>INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS</u>. CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY (which for the purpose of paragraphs 5 and 6 shall include, without limitation, its officers, agents, employees and volunteers) from and against:
 - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the COUNTY. Such indemnification includes any damage to the person(s), or property (ies) of CONTRACTOR and third persons.
 - B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR'S officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).
- 6. <u>INSURANCE</u>. CONTRACTOR, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COUNTY and any insurance or self-insurance maintained by COUNTY shall be excess of CONTRACTOR'S insurance coverage and shall not contribute to it.

If CONTRACTOR utilizes one or more subcontractors in the performance of this Agreement,
CONTRACTOR shall obtain and maintain Independent Contractor's Insurance as to each
subcontractor or otherwise provide evidence of insurance coverage for each subcontractor
equivalent to that required of CONTRACTOR in this Agreement, unless CONTRACTOR and
COUNTY both initial here /

A. Types of Insurance and Minimum Limits

1)	Worker's Compensation in the minimum statutorily required coverage amounts. This
	insurance coverage shall not be required if the CONTRACTOR has no employees and
	certifies to this fact by initialing here

- 2) Automobile Liability Insurance for each of CONTRACTOR'S vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTOR'S employees), leased or hired vehicles, shall each be covered with Automobile Liability Insurance in the minimum amount of \$500,000.00 combined single limit per occurrence for bodily injury and property damage. This insurance coverage shall not be required if vehicle use by CONTRACTOR is not a material part of performance of this Agreement and CONTRACTOR and COUNTY both certify to this fact by initialing here
- Comprehensive or Commercial Liability Insurance coverage in the minimum amount of

Initial 6M em I Contractor/County \$1,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability.

B. Other Insurance Provisions

- 1) If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three years after the expiration of the Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement coverage being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.
- 2) All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:
 - "The County of Santa Cruz, its officials, employees, agents and volunteers are added as an additional insured as respects the operations and activities of, or on behalf of, the named insured performed under Agreement with the County of Santa Cruz."
- 3) All the insurance policies shall be endorsed to contain the following clause:

"This insurance shall not be cancelled until after thirty (30) days prior written notice has been given to:

Human Resources Agency CareerWorks Division Attn: Patty Perez Ruiz, Departmental Analyst P. 0. Box 1320 Santa Cruz, CA. 95061

4) CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverage. All Certificates of Insurance shall be delivered or sent to:

Human Resources Agency CareerWorks Division Attn: Patty Perez Ruiz, Departmental Analyst P. 0. Box 1320 Santa Cruz, CA. 95061

- 7. <u>EQUAL EMPLOYMENT OPPORTUNITY.</u> During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:
 - A. The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, ancestry, disability, medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.
 - B. If this Agreement provides compensation in excess of \$50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:
 - The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, national origin, ancestry, disability, medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR's solicitation of goods and services. Definitions for Minority/Women/Disabled Business Enterprises are available from the COUNTY general Services Purchasing Division.
 - 2) The CONTRACTOR shall furnish COUNTY Equal Employment Opportunity Office information and reports in the prescribed reporting format (PER 4012) identifying the sex, race, physical or mental disability, and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority-Women/Disabled Business Enterprises.
 - 3) In the event of the CONTRACTOR's non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the COUNTY.
 - 4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 7B. to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than \$50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
- 8. <u>INDEPENDENT CONTRACTOR STATUS</u>. CONTRACTOR and COUNTY have reviewed and considered the principal test and secondary factors below and agree that CONTRACTOR is an independent contractor and not an employee of COUNTY. CONTRACTOR is responsible for all insurance (worker's compensation, unemployment, etc.) and all payroll related taxes. CONTRACTOR is not entitled to any employee benefits. COUNTY agrees that CONTRACTOR shall have the right to control the manner and means of accomplishing the result contracted for herein.

Contractor/County

<u>PRINCIPAL TEST</u>. The CONTRACTOR rather than COUNTY has the right to control the manner and means of accomplishing the result contracted for.

SECONDARY FACTORS. (a) The extent of control which, by agreement, COUNTY may exercise over the details of the work is slight rather than substantial; (b) CONTRACTOR is engaged in a distinct occupation or business; (c) In the locality, the work to be done by CONTRACTOR is usually done by a specialist without supervision, rather than under the direction of an employer; (d) The skill required in the particular occupation is substantial rather than slight; (e) The CONTRACTOR rather than the COUNTY supplies the instrumentalities, tools and workplace; (f) The length of time for which CONTRACTOR is engaged is of limited duration rather than indefinite; (g) The method of payment of CONTRACTOR is by the job rather than by the time; (h) The work is part of a special or permissive activity, program, or project, rather than part of the regular business of COUNTY; (i) CONTRACTOR and COUNTY believe they are creating an independent contractor relationship rather than an employer-employee relationship; and (j) The COUNTY conducts public business.

It is recognized that it is not necessary that all secondary factors support creation of an independent contractor relationship, but rather that overall there are significant secondary factors which indicate that CONTRACTOR is an independent contractor.

By their signatures to this Agreement, each of the undersigned certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Agreement is in fact an independent contractor.

- 9. <u>NONASSIGNMENT.</u> Contractor shall not assign this Agreement without the prior written consent of the COUNTY.
- 10. <u>RETENTION AND AUDIT OF RECORDS</u>. CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by COUNTY, whichever occurs first. CONTRACTOR hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, or the designee of either for a period of five (5) years after final payment under this Agreement.
- 11. <u>PRESENTATION OF CLAIMS</u> Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz County Code, which by this reference is incorporated herein,
- 12. <u>ACKNOWLEDGEMENT.</u> Contractor shall acknowledge on any commemorative plaques and in all reports and literature that the Santa Cruz County Board of Supervisors has provided funding to the Contractor.
- 13. <u>ATTACHMENTS.</u> This Agreement includes the following attachments:

Attachment A: Budget

Attachment B: Scope of Work

Attachment C: Nondiscrimination in State and Federally Assisted Programs

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

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Initial <u>G Mehrl</u> Contractor/County

4. COUNTY OF SANTA CRUZ

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1. CONTRACTOR

By: 27 Move h 3-607

Gingler McNally, Executive Director

El Pajaro Community Development Corporation Plaza Vigil, Suite 209

23 East Beach Street Watsonville, CA. 95076 Telephone: (831) 722-1224

Tax ID #: 94-2656048

2. APPROVED AS TO INSURANCE:

By: Janet McKin lay H-11-200

3. APPROVED AS TO FORM:

County Counsel

DISTRIBUTION: Auditor-Controller

County Counsel Risk Management

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Contractor

Agency: El Paiaro Community Development Corporation

Program: Microenterprise Assistance Program

0144

A. Total Budget Fiscal Year 00101	B. Total Budget Fiscal Year 01102	Total Contract Budget (A+B)	
	404 7000 7000 PERIODE		

SALARIES/BENEFITS			
Basic Account Codes:			
7000 Salaries Total	12,950	19,100	32,050
7100 Employee Health/Retirement	1,110	1,635	2,745
7200 Payroll Taxes	1,740	2,565	4,300
TOTAL SALARIES/BENEFITS:	15,800	23,300	39, 100
SERVICES/SUPPLIES			
8000 Professional Fees: Audit			
8010 Indep. Prof. Consultants			
8100 Supplies			
8200 Telephone			
8300 Postage & Shipping			
8400 Occupancy Total			
8500 Rent/Maintenance of Equip.			
8600 Printing & Publications			
8700 Travel & Transportation	100	800	900
8800 Conferences/Meetings			
8900 Assistance to Individuals		75,000	75,000
9000 Membership Dues			
9100 Awards and Grants			
9200 Interest Expense			
9300 Insurance/Bond			
9400 Miscellaneous			
9600 Dist. of Program Costs			
9691 Payment/Affiliated Orgs.			
TOTAL SERVICES/SUPPLIES:	100	75,800	75,900
GRAND TOTAL EXPENSES:	15,900	99,100	115,000

Projected. Actual budget amounts for FY 2001 shall be established at the beginning of the fiscal year based on prior year usage and carryover.

Initial GMeh-1 Contractor/County

POSITIONS/SALARIES COUNTY OF SANTA CRUZ

Attachment A, PAGE 2

Agency: El Pajaro Community Development Corporation

Program: Microenterprise Assistance Program

Please fill out this page for each separate program funded by the County. List ONLY positions paid by the County. Indicate with an "X" whether position is new or existing (already funded by County). Total Salaries here must match Total Salaries under Total Approved County Budget on Exhibit A, Page 1 (Expenses).

POSITION TITLES:	SALARY RATE X	HOURS/ WEEK X	WEEKS/ YEAR =	TOTAL AMOUNT PER YEAR	NEW	EXISTING
1. Executive Director	\$28.85	1.25	50	\$ 1,800	x	
Technical Assistance Specialist	\$25.00	21.60	50	\$27,000		X
3. Bookkeeper	\$16.00	4.06	50	\$ 3,250	х	·
4.	\$			\$		
5.	\$			\$		
6.	\$			\$		
7.	\$			\$		
8.	\$			\$		
9.	\$			\$		
10.	\$			\$		
7000 TOTAL SALARIES REQUESTED:				\$32,050		



In ial Contractor/County



Attachment B - SCOPE OF WORK PLAN - Fiscal Years: 2000-2002 Agency: El Paiaro Community Development Corporation

Program: Microenterprise Assistance Program

Quarter Ending	Performance Goals & Measurable Objectives	Implementation Activities	Method of Evaluation of Process & Outcome Objectives	Projected Expenditures by Quarter
June 30, 2001	Design microenterprise Assistance Program within CalWORKs regulations for participants to gain self- sufficiency. Conduct CareerWorks staff training. Meet contractor-reporting requirements.	Consult with CareerWorks, write mutually-agreed upon program guidelines and policies/procedures. Educate CalWORKs staff on new program and request referrals. Submit monthly reports/claims in an agreed upon format.	Documentation of materials developed (at minimum): Program guidelines and policies/procedures, referral forms, participants business concept assessment and business assistance request. Documentation of presentations to CalWORKs staff. Announcement material. Monthly reports/claims for 2 months.	\$15,900
September 30, 2001	15 CalWORKs participants are trained. 8 business plan are completed. 5 participant are assessed for appropriate -ness for Program and the viability of business and microenterprise start-up request.	Work with CareerWorks staff on recruitment of CalWORKs participants. Provide services for participants according to guidelines. Provide regular feedback (in an agreed upon format) to staff and collaborate on participants progress. Submit monthly reports/claims. Consult with CareerWorks and write evaluation criteria.	CareerWorks will document 5 signed statements of projected dates for going off aid (based on Contractor-assisted Business Plan's projected revenue/expenses) and 5 completed microenterprise requests. Reporting as above, for 3 months. Written Evaluation criteria.	\$24,800
December 31, 2001	15 more participants are trained, 8 more business plans are completed and 5 more participants are assisted with start-up.	Same as above with the addition of meeting with CareerWorks staff to analyze progress.	Same documentation as above. Reporting as above. Written Notes on progress.	\$24,800
March 31, 2002	8 more business plans are completed and 5 more participants are assisted with start-up.	Same as above. Determine evaluation procedures.	Same documentation as above. Reporting as above. Written Evaluation Procedures.	\$35,000
June 30, 2002	5 more participants are assisted with start-up. 25% of CalWORKs self-employment participants are off aid.	Same as above, add Collect evaluation data and Prepare evaluation report.	Same documentation as above. Reporting as above. Written evaluation report submitted.	\$14,500

ASSURANCE OF COMPLIANCE WITH THE HUMAN RESOURCES AGENCY NONDISCRIMINATION IN STATE AND FEDERALLY ASSISTED PROGRAMS

EL PAJARO COMMUNITY DEVELOPMENT CORPORATION

HEREBY AGREES THAT it will comply with Title VI and VII of the Civil Rights Acts of 1964 as amended; Section 504 of the Rehabilitation Acts of 1973, as amended; the Age Discrimination Act of 1975, as amended; the Food Stamp Act of 1977 as amended, and in particular Section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code, Section 51 et seq., as amended; California Government Code Section 11135-11139.5, as amended: California Government Code Section 12940(c), (h) (l), (i), and (j); California Government Code, Section 4450; Title 22, California Code of Regulations 98000 - 98413, and other applicable federal and state laws, as well as their implementing regulations (including 45 Code of Federal Regulations (CFR) Parts 80, 84, and 91, 7 CFR Part 15, and 28 CFR Part 42), by ensuring that employment practices and the administration of public assistance and social services programs are nondiscriminatory, to the effect that no person shall because of ethnic group identification, age, sex, color, disability, medical condition, national origin, race, ancestry, marital status, religion, religious creed or political belief be excluded from participation in or be denied the benefits of, or be otherwise subject to discrimination under any program or activity receiving federal or state financial assistance; and HEREBY GIVE ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal and state assistance; and THE VENDOR/RECIPIENT HEREBY GIVES ASSURANCE THAT administrative methods/procedures which have the effect of subjecting individuals to discrimination or defeating the objectives of the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Chapter 21, will be prohibited.

BY ACCEPTING THIS ASSURANCE, the vendor/recipient agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of the aforementioned laws, rules and regulations and permit authorized CDSS and/or federal government personnel, during normal working hours, to review such records, books and accounts as needed to ascertain compliance. If there are any violations of this assurance, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with Welfare and Institutions Code Section 10605, or Government Code Section 11135-11 139.5, or any other laws, or the issue may be referred to the appropriate federal agency for further compliance action and enforcement of this assurance.

THIS ASSURANCE is binding on the vendor/recipient directly or through contract, license, or other provider services, as long as it receives federal or state assistance.

Date 27 Move N 2001

Qirector's Signature