

Attn: Jan Vogel

Attn: Jim Mitsch

Contractor
City of Carson
701 E. Carson St.
Carson, CA 90745
Attn: Clifford Graves

XVIII -- PROGRAM INCOME FOR NON-PROFIT AND PUBLIC AGENCIES

Program income is earned through the activities funded by this Agreement. For further definition of program income and requirements for its use, Contractors are referred to WIA section 195(7)(A)(B)(i)(ii) and 20 CFR §667.300 which are herein incorporated by this reference.

Any program income must be reported to the City on the expenditure report, and must be returned to the City in accordance with the City's written directions to the Contractor. At the City's discretion, program income may be used to augment the Contractor's WIA program. Such use of program income is permitted only by written amendment to this Agreement. Should such use of program income be approved, Contractor shall maintain records in support of all earnings and expenditures relating to the use of those funds in accordance with WIA record retention and audit requirements. The City shall monitor Contractor's compliance with all program income requirements.

XIX — AUDITS AND REQUIREMENTS

Contractor shall comply with audit requirements as identified WIA regulations (20 CFR 627.480) and respective Office of Management and Budget (OMB) Circulars and other applicable Federal, State, and local policies and regulations. Contractor shall be responsible for determining whether it is subject to the OMB Circulars, or other federal auditing requirements, and, if so, shall be responsible for compliance with the audit requirements thereof. The Contractor shall pay for such audits. A commercial organization (subrecipient) receiving \$300,000 or more in federal financial assistance to operate a WIA program shall comply with the audit requirements set forth in OMB Circular 133.

Contractor shall allow authorized City, State, and Federal representatives to have full access to the Contractor's facilities and all related WIA documentation and other physical