

ATTACHMENT A: STANDARD PROVISIONS

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ARTICLE 1. GRANTEE CERTIFICATION. By its signature on the grant agreement, the grantee certifies that it possesses lawful authority to accept grant funds from the State of Alaska and to execute the work described in this document.

ARTICLE 2. GRANTEE NOT OFFICER, EMPLOYEE, AGENT OF THE STATE. The grantee and any agents and employees of the grantee are not officers or employees or agents of the state by virtue of their signing or performing under this grant agreement.

ARTICLE 3. INDEMNIFICATION. The grantee shall defend, indemnify, save, and hold harmless the State of Alaska and its officers, agents, members, and employees, from all claims, suits, or actions of any nature pertaining to this grant and arising out of the activities of the grantee or its subcontractors, agents, or employees.

In the event that any action, suit, or proceeding is brought against the state, upon any matter herein indemnified against, the state shall, as soon as practicable, provide written notice of such action to the grantee by certified mail.

ARTICLE 4. INSURANCE. Without limiting the grantee's indemnification, the grantee shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the grantee's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must

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provide for a 30-day prior notice of cancellation, nonrenewal, or material change. Failure to maintain satisfactory evidence of insurance or lapse of the policy is a material breach and grounds for termination of this agreement.

- a. The grantee shall provide and maintain, for all employees engaged in work under this grant agreement, Workers' Compensation Insurance as required by AS 23.30.045. The grantee shall be responsible for Workers' Compensation Insurance for any subcontractor who directly or indirectly provides services under this grant agreement. This coverage must include employer's liability protection not less than \$100,000 per person, \$100,000 per occurrence. Where applicable, coverage for all federal acts (i.e., U.S.L.&H., and Jones Acts) must also be included.
- b. The grantee shall provide and maintain Comprehensive (Commercial) General Liability Insurance with coverage limits not less than \$300,000 combined single limit per occurrence and annual aggregates where generally applicable and shall include premises-operations, independent contractors, products/completed operations, broad form property damage, blanket contractual and personal injury endorsements.
- c. The grantee shall provide and maintain Comprehensive Automobile Liability Insurance covering all owned, hired and non-owned vehicles with coverage limits not less than \$100,000 per person/\$300,000 per occurrence bodily injury and \$50,000 property damage.

ARTICLE 5. EQUAL EMPLOYMENT OPPORTUNITY (EEO). The grantee may not discriminate against any employee or applicant for employment on the basis of race, religion, color, national origin, age, physical handicap, sex, marital status, pregnancy or parenthood. The grantee shall post in a conspicuous place, in sight of employees and applicants for employment, a notice setting out the provision of this paragraph. A grantee shall state, in all solicitations or advertisements for employees to work on state funded projects, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to the criteria described in this paragraph.

The grantee shall include the provision of the EEO article in every contract relating to this grant agreement so that those provisions will be binding upon each subcontractor.

ARTICLE 6. EQUAL PROGRAM ACCESS. The grantee may not discriminate against any program applicant or client on the basis of race, religion, color, national origin, age, physical handicap, sex, marital status, change in marital status, pregnancy or parenthood.

ARTICLE 7. NOTIFICATION OF CHANGE. A grantee shall notify the department in writing of a change in key grant administration personnel and contact information either before the change or within one week after the change.

ARTICLE 8. NEWS RELEASES. News releases pertaining to this grant will be made with prior department approval, and will acknowledge each granting entity and funding source.

ARTICLE 9. MATERIALS DEVELOPED WITH GRANT FUNDS. Materials developed with grant funds are the property of the state. A final copy of the material must be sent to the department for statewide dissemination, if appropriate. Such material shall contain an acknowledgment of the use of state funds in the development of that material.

ARTICLE 10. ADMINISTRATION. A grantee shall properly administer its grant in compliance with the provisions of this grant agreement whether or not the grantee has subcontracted any administrative duties to another agency or individual. Administration of an allowable activity not specified in this grant agreement will be subject to department approval before implementation.

ARTICLE 11. GRANT AGREEMENT AMENDMENTS. Grant agreement, amendments, to be binding on both the state and the grantee, must be made in a formal amendment format.

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ARTICLE 12. GRANT RENEWAL. At the discretion of the department, the terms and conditions of this grant may be renewed, depending on satisfactory performance by the grantee and appropriation of program funds. Satisfactory performance of grant activities will be determined by self-evaluation, monitoring by the department, program activity and expense reporting, timely submission of an acceptable application for grant renewal, and other criteria deemed appropriate by the department. The department reserves the right during grant renewal to negotiate a new funding level, and additional or different grant activities and other conditions regarding the grant.

ARTICLE 13. CONFIDENTIALITY.

- a. The grantee shall restrict the use or disclosure of information pertaining to a child or to a child's family to purposes directly related to the administration of the program, except that disclosure shall be made to the department upon request.

ARTICLE 14. SUBCONTRACTS.

- a. A grantee may subcontract with an individual or organization for the performance of program activities within its grant boundaries, if the grantee:
 1. complies with its documented procurement procedures;
 2. obtains prior approval of the department before entering into the subcontract;
 3. maintains an original copy of the executed subcontract as part of its grant file; and
 4. assumes full responsibility for all actions of the subcontractor performed under the subcontract.
- b. Subcontract provisions must be based on minimum criteria specified by the department.

ARTICLE 15. REASONABLE AND NECESSARY COSTS. A grantee will be reimbursed for actual costs that are reasonable, necessary, directly related to the performance of the grant, and within the terms of this agreement. Expenditures of grant funds will be documented in the grantee's files by contractual, billing and payment records.

ARTICLE 16. VALID EXPENDITURE DATES. Reimbursable program costs must be incurred during the grant period. A grantee shall not use current year grant funds to pay prior or future year obligations. However, the cost of the annual independent audit may be claimed during the grant period in which the audit is completed.

ARTICLE 17. EQUIPMENT.

- a. A grantee shall hold the title of equipment purchased with grant funds for the duration of this grant. The department may provide written authorization for the grantee to retain the equipment for the grantee's own use.
- b. A grantee shall conduct a physical inventory and reconcile the results with property records at least once every two years as required by EDGAR 34CFR 80.32(d)(2).
- c. A grantee shall use equipment purchased in whole or in part with grant funds exclusively in the program from which funds were used to purchase the equipment. If the grantee wishes to share the use of the equipment between two or more programs, the cost of such equipment shall be prorated between the programs.
- d. A grantee that no longer has a grant under this program shall dispose of the equipment in accordance with written directions from the department.

ARTICLE 18. TRAVEL AND PER DIEM. A grantee may request reimbursement for travel and per diem expenses at a maximum equal to that provided to state government employees traveling in a specific geographic area specified in Attachment B, Conditions of Award.

ARTICLE 19. SEPARATE ACCOUNTS. The grantee shall keep record of this grant separate from all other fiscal and program records by state fiscal year.

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ARTICLE 20. RELEASE OF STATE FUNDS. The granting of state funds through the department is for Alaska Head Start grant activities as described in the work plan. If for any reason, a federal Head Start grantee should be denied funding by Region X or Region XI (A.I.A.N.) during the grant year, the state Head Start funds would also be withdrawn. Consideration would be given to a new grantee for state funds if the Federal Head Start Office, Region X or Region XI (A.I.A.N.), selected a new agency to carry out the program. The financial and programmatic integrity of the Alaska Head Start Program is based on and is in conjunction with federal Head Start mandates. State Head Start funds that are awarded to non-federally funded programs are also subject to Federal Head Start Performance Standards at this time. If these standards are not maintained, as determined by the department monitoring, funds would also be withdrawn.

ARTICLE 21. MONITORING AND EVALUATION.

- a. The department will, in its discretion, monitor, inspect, and evaluate the performance and progress of a grant.
- b. A grantee shall provide the department, its designee, or independent auditors with access to its documents, papers, and records, and to those of the subcontractor.

ARTICLE 22. FINAL REPORT. The grantee must submit a final report within 30 days of the end of the fiscal year that shall include summary fiscal and program information, including an analysis of expenditures and program use.

ARTICLE 23. ACCOUNTING AND AUDIT REQUIREMENTS.

- a. With respect to the financial records and accounts of a program grant, a grantee shall use generally accepted accounting principles and shall maintain the financial records and accounts in a manner that permits them to be audited.
- b. The grantee shall adhere to the following audit requirements, as applicable:
 - (1) Grantees expending \$500,000 or more in direct state financial assistance during the grantee's fiscal year must submit a state single audit in accordance with the State of Alaska single audit regulations, 02 AAC 45.010 (included as a part of this grant agreement as Attachment E); and
 - (2) Grantees expending \$500,000 or more in federal funds, regardless of the federal source, during the grantee's fiscal year must submit a federal single audit in accordance with the Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- c. In addition to the requirements of paragraph b of this article, the grantee shall provide the State of Alaska with a copy of any audit report(s) conducted of the grantee's administration of these grant funds. An audit report, provided in accordance with this part, must be submitted to the State of Alaska the earlier of nine months after the end of the fiscal year or 30 days of the receipt of the audit report (s) by the grantee.
- d. The grantee shall maintain appropriate systems, procedures, and documentation to assure its compliance with respect to subrecipient audits, as specified in the requirements listed in paragraph b of this article. The grantee shall take appropriate action to assure that any subrecipient audits required under paragraph b are completed.
- e. The grantee shall repay to the department any costs pertaining to this grant determined not to be allowable as a result of the resolution of any findings or questioned costs identified in the audits required by this section. The grantee shall repay to the department any disallowed costs related to a subgrant of funds under this agreement resulting from the resolution of any subgrantee audit findings. Failure of the grantee to repay any disallowed amounts may result in a reduction of grant funds under this agreement, the termination of this agreement, or other possible actions or sanctions, as determined by the department.

ARTICLE 24. DISALLOWED COSTS. A grantee is financially accountable for and shall reimburse the department for money not spent in accordance with the terms of this grant agreement.

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ARTICLE 25. TERMINATION.

- a. The department may terminate a grant, in whole or in part, before the end of the grant period if the grantee fails to comply with the terms of the grant. To terminate a grant, the department will provide the grantee with 14 days written advance notice prior to termination stating the reasons for the termination, the effective date, and if the termination is partial, the portion of the grant to be terminated.
- b. The department will, in its discretion, terminate a grant at any time, in whole or in part, with the written consent of the grantee.
- c. The grantee may terminate a grant before the end of the grant period, upon 14 days written notification to the department, stating the reasons for the termination and the effective date.

ARTICLE 26. APPEAL. If the grant is terminated in whole or in part, if grant funds are wholly or partially withheld, or if the grantee disagrees with the department over program activities defined under the grant agreement, the grantee has a right of appeal. The grantee has 30 calendar days after receipt of notice of the final action being appealed to file a notice of appeal with the commissioner as outlined in the Alaska Administrative code Chapter 40.

ARTICLE 27. CLOSE-OUT. The grantee shall have requested all payment under this grant by the 45th day after the termination date of the grant agreement, at which time the department may initiate closeout procedures.

ARTICLE 28. RECORDS RETENTION. The grantee shall maintain grant and subcontract records, including records of the receipt and disposition of grant income, for a period of at least three years. For the purpose of this article:

1. the retention period for each year's records will begin at the date the grant terminated; and
2. the grantee shall retain the records as long as an audit is in progress or as long as audit findings, litigation, or claims involving the records are pending.

ARTICLE 29. ENFORCEMENT. The failure of the department to enforce any provision of this grant agreement shall not constitute a waiver by the state of that or of any other provision.

ARTICLE 30. PROGRAM IMPLEMENTATION. The grantee shall fully implement the program conditions of this grant agreement within 90 days after the effective date of the agreement, on a progressive schedule approved by the department, depending on the nature of services currently delivered and the grantee's capability and service delivery priority.