**APPENDIX K**

**Grant Award Agreement**

**Arkansas Department of Education**

**Grant Award Agreement**

**Grant Recipient Name:**

**Name of Grant Program:**

**Grant Recipient Address:**

**DUNS Number**:

**Grant Recipient Authorized Contact:** (Name, Title)

**Award Date:**

**Grant Award Period of Performance:** (Example: July 1, 2016 through June 30, 2017)

**Grant Award Amount:**

**Grant Award Purpose:**

**Fund Center:**

**Cost Center:**

**Fund Code:**

**Revenue Code:**

**Source of Fund:**

**WBS Element/Internal Order:** (If applicable)

**Agency Contact Information:** (Include ADE program manager contact name, address, e-mail address and telephone number)

**Indirect Cost Rate:** The grant recipients approved federally negotiated rate or if no such rate exists, either a rate negotiated between ADE and the grant recipient or the de minimis indirect cost rate of 10%.

**For Federal Funds Only:**

**Federal Award Identification Number (FAIN):** (Federal funds only)

**Federal Award Indirect Cost Rate:** (Indirect cost rate for the Federal award recipient, including if the de minimis rate is charged)

**Total Amount of the Federal Grant Award:** (Federal funds only – This is the amount of funding that ADE as the pass-through entity has received.)

**Federal Award Project Description:** (A description of the overall purpose of the grant award)

**Federal Awarding Agency Name:** (Example: US Department of Education)

**CFDA Number and Name:**

**General and Fiscal Guidelines**

The general and fiscal guidelines describe the process, requirements and terms applicable to all discretionary grants that ADE administers. ADE awards grants to non-federal entities such as local educational agencies (LEAs), and education service cooperatives (ESCs), institutions of higher education (IHEs), and nonprofit organizations (NPOs). It includes a summary of the terms of the grant award between ADE and the grantee and a list that includes but is not limited to the federal rules, laws, and regulations that apply to all state and federal programs. ADE reserves the right to reject any and all applications and to negotiate portions thereof.

**Program-Specific Guidelines**

Program-specific guidelines may be provided in the **General and Fiscal Guidelines,** if applicable**.** Program-specific guidelines will provide any information about the specific grant program, including the purpose of the grant, eligibility criteria, program description, statutory requirements, and any specific application review criteria. Program-specific guidelines may also include any specific requirements regarding the allowability of certain types of costs as related to a specific grant program and any program-specific evaluation measures. Any additional program-specific guidelines will be listed in this section.

**General Terms and Conditions**

**Funding Contingency**

Grant funding is subject to the availability of funds appropriated by legislative act for the purpose stated in the grant award. ADE reserves to right to reduce or void the grant award upon appropriated funds becoming reduced or unavailable. In addition, a grant agreement may be terminated by ADE at any time for any reason upon notice to the grant recipient.

**Mandatory Disclosures**

Grant recipients must disclose, in a timely manner, in writing to ADE all violations of criminal law involving, but not limited to fraud, bribery, or gratuity violations potentially affecting the grant recipient. Failure to make required disclosures can result in any of the actions described in the **Failure to Comply** section.

**Failure to Comply**

If the grantee fails to comply with any of the terms of the grant award, whether stated in a federal statute or regulation, an assurance, a state plan, application, grant award notification, or elsewhere, ADE may take one or more of the following actions:

* Temporarily withhold payments pending correction of the deficiency by the grant recipient;
* Disallow or deny both use of funds and matching credit for all or part of the cost of the activity or action not in compliance with the grant;
* Wholly or partly suspend or terminate the grant award;
* Withhold further awards for the grant program; or,
* Take other remedies that may be legally available

**Right to Reduce Funding**

ADE reserves the right to reduce funding if the initial funding projections are determined not to have been realistic based upon the number of actual applicants or other factors. Should additional funds become available for distribution, ADE will determine how these funds will be distributed.

**Commencement and Performance of Project Activities**

The grantee must commence and perform project activities according to established timelines. Failure to do so may result in reduction and reallocation of funds.

**Right to Revoke**

ADE reserves the right to revoke a grant award for reasons including but not limited to the following:

* Noncompliance with the specified purpose of the grant award
* Failure to account for grant funds in accordance with standards for financial management, to retain proper documentation for grant expenditures, or to provide information to auditors or program monitors
* Failure to provide accurate, timely, and complete information as requested by ADE to evaluate the effectiveness of the grantee

**ADE Grant Application Elements**

**Suspension and Debarment**

All applicants must have both a Data Universal Numbering System Number (DUNS) and Taxpayer Identification Number (TIN) registered in the System for Award Management (SAM), the U.S. Federal Government’s primary registrant database. Each applicant must maintain an active SAM registration that will be verified by ADE program staff before an application is deemed eligible for funding. DUNS number assignment is free and is required to receive funds from the ADE. DUNS numbers can be obtained at: [www.dnb.com](http://www.dnb.com) .

For grants that are expected to equal or exceed $25,000 using federal funds, the

program manager will verify that the grant recipient is not suspended or debarred or

otherwise excluded by checking the Excluded Parties List System (EPLS) maintained by

the General Services Administration (GSA), prior to entering into the agreement. The

electronic version of EPLS is located on the www.sam.gov website.

**Program Description**

All grant applications must provide a narrative regarding the description of the program to be funded with the grant. This narrative must include program goals/objectives and the activities of the grant that will be implemented to meet the goals. Applicants should provide a timeline for the completion of the activities listed. Program objectives must be included and should clearly identify what the grant funding will accomplish. Goals/objectives should lend themselves to either quantitative or qualitative measurement. Approved grant applicants will be required to report on these objectives when program performance reporting is completed.

**Program Evaluation**

All grant applications must provide a description of how the program will be evaluated for effectiveness. Generally, one or more program performance measures should be established for each objective that demonstrates whether the recipient is making progress towards meeting each project objective. For each performance measure, a target level of performance must be established to compare to actual performance data to demonstrate the recipient’s progress towards meeting or exceeding their target level of performance.

**Budget and Expenses**

All grant applications must include a program budget and budget narrative. The budget narrative should explain in detail what will be purchased with grant funds. The applicant must complete the “**ADE Grant Budget and Budget Narrative Form”** as part of the grant application. See **Specific Elements of Costs** for individual requirements for the allowability and allocability of costs listed in the grant recipient’s budget. Applicant budgets must provide sufficient detail for the ADE program staff to conduct a cost analysis of the applicant’s budget. Costs budgeted and expended be:

* Necessary for the proper and efficient performance and administration of the grant;
* In accordance with generally accepted accounting principles (GAAP);
* Adequately documented and justified;
* Incurred specifically for the purpose of the grant
* Treated consistently with costs used for the same purpose in similar circumstances.

Changes that result in a 10% or greater deviation from any budgeted line item must be pre-approved in writing. All costs must be budgeted in the grant recipients approved application to be eligible to be charged to the grant. Only costs included in the approved budget will be reimbursed.

**Financial Management System**

All applicants must provide a narrative describing the grantee’s accounting system and financial management system. Applicants must have a financial management system in place that allows them to properly administer grant funds. Applicants will be reviewed to determine that the grantee’s financial management system provides for the following:

* Identification in the grantee’s accounting system of the grant award received and expended under which they were received;
* Accurate, current, and complete disclosure of the financial results of each grant award or program;
* Records that identify adequately the source and application of grant funds. These records must contain information regarding the obligation of funds, unobligated balances, assets, expenditures, income and interest and be supported by source documentation;
* Effective control over and accountability for, all funds, property, and other assets;
* Comparison of expenditures with budget amounts for each grant award

The applicant may provide their existing written financial management policies and procedures in order to meet this requirement.

Grant recipients must demonstrate the responsibility, financial management capacity and fiscal integrity necessary to adequately and appropriately manage awarded funds.

**Conflict of Interest**

Grant recipients must disclose in writing any potential conflict of interest between the recipient and ADE employees. In addition, all grant recipients that receive in excess of $25,000 will be required to complete the “**Contract and Grant Disclosure and Certification Form.**”

**Application Review Process**

Applications for funding will only be reviewed for funding if the applicant is eligible, the application is complete and the application is received by the submission deadline. Applications must be signed by the official authorized to apply for grant awards for the grantee. As part of the application review process, ADE program and finance staff will perform financial and program performance reviews of all applicants. Applicants selected for funding must sign a **Grant Award Agreement** with ADE which will contain specific details about the grant award.

**Specific Elements of Costs**

**Allocable Costs**

The following guidelines apply to allocable costs:

* A cost is allocable to a particular grant in accordance with the relative benefits received if it is treated consistently with other costs incurred for the same purposes in like circumstances and if it meets the following:
* Is incurred specifically for the grant
* Benefits both the grant and other work and can be distributed in reasonable proportion to the benefits received
* Be distributed in reasonable proportion to the benefits received

Any cost allocable to a particular grant or other cost objective may not be shifted to other federal awards (or state awards, if state-funded) to overcome funding deficiencies or to avoid restrictions imposed by law or by the terms of the grant award.

**Allowable Costs**

For costs to be allowable to be charged to a grant, costs must generally meet the following criteria:

* Be necessary and reasonable for the performance of the grant and be allocable under the applicable cost principles
* Conform to limitations or exclusions set forth in the grant agreement as to types or amount of costs
* Be consistent with policies and procedures that apply uniformly to federally or state-funded activities and activities funded from other sources
* Be determined in accordance with generally accepted accounting principles (GAAP)
* Be adequately documented.

**Unallowable Costs**

Costs not included in the approved grant budget, including approved budget revisions, will not be reimbursed by ADE. Any costs that are incurred either before the start of the grant award or after the expiration of the grant award performance period are not allowable.

**Commingling of Funds**

Grant recipients must not deposit or record funds in a general account without the ability to identify each specific source of funds for any expenditures, which is known as commingling of funds. Commingling of grant recipient funds is prohibited. Funds from each Federal, State, local, and private funding source must be identified with a clear audit trail for each source. The accounting systems of all grant recipients must ensure that grant funds are not commingled with funds from other State or Federal agencies or private entities. Funds specifically budgeted and/or received for one project may not be used to support another.

**Travel Expenses**

Grant recipients must follow ADE travel regulations for the reimbursement of meals, lodging and mileage reimbursement. For meals and lodging, only actual travel expenses may be claimed up to the daily travel maximums for meals and lodging listed in the GSA Per Diem Rates provided on the U.S. General Services Administration website. For mileage reimbursement purposes, the rate of mileage reimbursement will be limited to the standard mileage rates for business listed on the Internal Revenue Service’s website.

**Indirect Costs**

Indirect costs charged to the grant award, if allowed, will be limited to the grant recipients federally recognized indirect cost rate negotiated between the recipient and the Federal government or, if no such rate exists, either a rate negotiated between ADE and the recipient or a de minimis indirect cost rate of 10%. For **state funded** grants that are awarded to an educational service cooperative (ESC), a standard 5% indirect cost rate will be permitted.

**Property and Equipment Management**

Grant recipients must use, manage and dispose of equipment acquired under a grant award in a prudent manner. Equipment purchased with state or federal grant funds must be used in the grant for which it was purchased. Property records must be maintained that include a proper description of the property, serial/identification numbers, source of funding for the property, the acquisition date, costs of the property, the location, used and condition of the property, and any disposition data including the date of disposal and sale price of the property. A physical inventory of the property must be taken and the results reconciled with the property records at least annually. An adequate control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of property. Adequate maintenance procedures must be developed to keep property in good condition. Grant recipients should obtain approval from ADE before disposal or sale of equipment purchased with state or Federal grant funds. If the request is authorized, proper sales procedures must be established to ensure the highest possible return.

**Obligation of Funds**

Program funds shall not be obligated for expenditure before the beginning date of the grant or after the ending date of the grant. Funds may be requested only for those items that are reasonable and necessary for accomplishing the objectives of the program and for implementing activities as described in the grant recipient’s approved application. Costs that are reasonable are defined as those costs that are consistent with prudent business practice. A cost can be considered reasonable if it meets the following standards:

* The cost is of a type generally recognized as ordinary and necessary for the performance of the grant;
* Restrictions or requirements are imposed for generally accepted, sound business practices, arms-length bargaining, federal or state laws and regulations, and grant award terms and conditions.

Costs that are necessary are those costs that are essential to accomplish the objectives of the grant program. All items requested must be allowable expenditures under the authorizing program statutes, regulations, and rules.

The grantee must receive the benefit and liquidate all obligations incurred under the grant award no later than the ending date of the Grant Award Performance Period.

**Carryover of Grant Funds**

All encumbrances/obligations shall occur on or between the beginning and ending dates of the Grant Award Performance Period specified in the grant award notification.

Grant recipients should receive the benefit and liquidate obligations incurred under the grant award during the Grant Award Period of Performance.

However, carryover of **non-federal** grant funds may be permitted, if necessary to complete the purposes of the grant.

Carryover of prior year non-federal grant funds of 25% or greater will require a justification letter from the Assistant Commissioner in charge of the grant to the GPC that includes the results of current financial and program performance reports received from the grantee. The final approval of the carryover will be provided by the Commissioner on the Grant Carryover form, previously signed by the grantee, which includes the revised grant award ending date.

Carryover of non-federal grant funds less than 25% may be permitted with approval from the Assistant Commissioner in charge of the grant on the Grant Carryover form, previously signed by the grantee, which includes the revised grant award ending date, as well as the results of current financial and program performance reports received from the grantee.

Non-federal funds approved for carryover must be expended or returned to the ADE by the revised grant award ending date, which shall be no later than 90 calendar days past the original ending date.

**Post-Award Activities**

**Payment**

**Initial Grant Payment**

After all necessary approvals have been obtained for the grant, funds will be considered obligated to the recipient. Grant recipients must be in compliance with all program, fiscal and reporting guidelines to be eligible to receive payment. Also, prior to submitting payment requests under a grant award/MOU to the ADE Finance Office, the Finance Office must first have the original hard copy and a PDF electronic copy on file, including the **Contract/Grant Award Routing Form** with all required approvals before payments will be made.

Payments to grant recipients must minimize the time elapsing between the transfer of funds to the grant recipient and the expenditure of these funds by the grantee. Funds will not be paid in a lump sum, but be disbursed over time as costs are incurred or anticipated. ADE will initially advance **no more than 50%** of the grant award to the recipient at the start of the grant award period. This is the **maximum percentage** of funds that may be advanced to the recipient, and should only be provided to recipients that have an **immediate requirement or use for the funds.**  **Most grant recipients will not require 50% initial grant funding.** Advance payments to grant recipients must be limited to the **minimum amounts** needed and in accordance with the immediate cash requirements of the grantee in carrying out the purpose of the grant.

**Remaining Grant Payments**

After the initial grant award funds have been advanced to the recipient at the start of the grant award period, there are three types of disbursement methods for the remaining grant funds. However, reimbursement is the preferred payment method for remaining grant funds.

***Reimbursement – COGNOS Data Warehouse***

LEAs/ESCs may receive monthly reimbursement payments based on their COGNOs district warehouse reports. For recipients paid through this method, program managers will be required to submit quarterly APSCN budget/expenditure reports to the GPC which should be reviewed by program staff to ensure that budget categories are not overspent.

***Reimbursement Basis***

Grant recipients (LEA and non-LEA) that are not reimbursed through monthly COGNOS data pulls will be required to complete an **“ADE Grant Budget Reimbursement Request.”** The request lists the budgeted amounts by category from the approved grant budget, actual expenditures, remaining budget balance and grant funding received by the recipient. For grant recipients reported in APSCN, supporting documentation in the form of Board Reports and Detailed Expenditure Reports are required and should be attached to the reimbursement request. For grant recipients that are not reported in APSCN, supporting documentation for actual expenditures will be required to be included with the reimbursement request. Supporting documentation should be in the form of invoices, bills for goods and services, employee payroll and travel reimbursements.

***Advance Payments***

Advance payments to grant recipients may be necessary, in some instances. Advance payments must be limited to the **minimum amounts** needed and in accordance with the immediate cash requirements of the grantee in carrying out the purpose of the grant.

For state-funded grant awards, fund advances may be requested no more frequently than on a **quarterly** basis.

For Federally funded grant awards, fund advances will be limited to immediate cash requirements for a month in advance. Fund advances may be requested no more frequently than on a **monthly** basis.

**All** fund advance payment requests must have a completed **“ADE Grant Budget Reimbursement Request.”** For grant recipients reported in APSCN, the most recent Board Report and Detailed Expenditure Report are required and must be attached to the request. For grant recipients not reported in APSCN, a financial status report that provides detail regarding grant funds received, expended and remaining cash balances are required and must be attached to the request.

**Note:** Payment requests for r**eimbursements** should be sent to the appropriate ADE Finance staff member for payment processing. Reimbursement payment requests should **NOT** be sent to the GPC.

All **advance payment** requests **must** be sent to the GPC for approval prior to payment processing. Advance payment requests that are not complete or do not contain the required supporting documentation will not be accepted.

All costs must be budgeted in the grant recipients approved application to be eligible to be charged to the grant. Only costs included in the approved budget will be reimbursed. Changes that result in a 10% or greater deviation from any budgeted line item in the approved grant application will not be paid and must be pre-approved in writing by the GPC.

**Required Certifications**

In order to assure that expenditures are proper and in accordance with the terms and conditions of the grant award and approved budget, an official authorized to legally bind the grant recipient must certify all financial performance reports (**“ADE Grant Budget and Budget Narrative Form”)** and payment requests (“**ADE Grant Budget Reimbursement Request**”) by signing the following certification.

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the grant award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.”

**Reporting Requirements**

Grant recipients will be required to submit both financial and program reports describing the status of the funds, the status of the project, a comparison of actual accomplishments to the objectives, the reason goals have not been met, and any other pertinent information. Program performance objectives and performance measures must be established for all grant award recipients. Program performance goals and objectives should be included in the **ADE Grant Application, Section II, Program Description**. The grant application must include program objective(s) stating the goal for the grant funding. Generally, one or more program performance measures should be established for each objective that demonstrates whether the recipient is making progress towards meeting each project objective. For each performance measure, a target level of performance must be established to compare to actual performance data to demonstrate the recipient’s progress towards meeting or exceeding their target level of performance. Performance measures to be evaluated and target levels of performance should be provided in the **ADE Grant Application,** **Section III, Program Evaluation**. All discretionary grant recipients will be required to submit financial and program performance reports, as required below:

* Financial performance reports must be submitted to the ADE program manager on a semi-annual basis. (Using the **“ADE Grant Budget and Budget Narrative Form”**) Reports must be received within 30 days after the close of the reporting period.
* Program performance reports must be submitted to the ADE program manager on an annual basis. (Using the **“ADE Grant Performance Report Form”**) Reports must be received within 30 days of the end of the grant award performance period.

Semi-annual financial reports must be submitted to the ADE GPC within 45 days after the prior 6 month reporting period. Program performance reports must be submitted to the ADE GPC within 45 days after the end of the grant award performance period. All financial and program performance reports must be sent to the ADE GPC by the applicable ADE program manager for the grant.

**Financial Performance Reporting Deadlines**

(July 1st - June 30th grant performance period)

|  |  |  |
| --- | --- | --- |
| Financial Reporting Period | Report Due to ADE Program Manager | Report Due from ADE Program Manager to GPC |
| July 1st – December 31st | January 30th | February 15th |
| January 1st – June 30th | July 30th | August 15th |

**Program Performance Reporting Deadlines**

(July 1st - June 30th grant performance period)

|  |  |  |
| --- | --- | --- |
| Program Reporting Period | Report Due to ADE Program Manager | Report Due from ADE Program Manager to GPC |
| July 1st – June 30th | July 30th | August 15th |

ADE reserves the right to suspend or revoke grant payments to grant recipients that do not timely submit financial and performance reports in a timely manner.

**Monitoring**

Grant recipients may receive desk or on-site monitoring reviews by ADE as deemed necessary to determine compliance with the approved Application and the applicable statutes, laws, regulations, and guidelines of the grant. All requested grant records must be provided to ADE staff as necessary for monitoring purposes.

**Record Retention**

Financial records, supporting documents, statistical records and all other records pertinent to the grant award shall be retained by the grant recipient for four years following the end of the grant award performance period. The retention requirement extends to books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel and payroll records, cancelled checks, and related documents and records.

* Source documents include paper or electronic copies of all grant awards, applications and required financial and narrative reports.
* Personnel and payroll records shall include the signed time and attendance reports for all individuals included in the project, whether they are employed full-time, part-time, or on a volunteer basis.
* Time and effort reports are required for employees with grant-funded salaries.

Grant recipients must further agree to permit access to these records to ADE program or fiscal staff, or any of their authorized representatives, as needed for monitoring purposes.

**Continuation/Extension of Funding**

A continuation/extension of grant funding may be awarded in a subsequent year following the initial grant award period of performance. All grant continuation funding will be subject to the availability of funds appropriated for the grant. Before a grant recipient is determined to be eligible for a continuation of a grant award, ADE program staff must perform a risk analysis of the recipient. In evaluating risks posed by the recipient, ADE program staff must consider the following:

* The results of previous financial and performance reports
* Unresolved Federal Single Audit or financial statement audit findings that have not been sufficiently addressed, as determined by the GPC.
* Any issues or concerns noted in routine monitoring
* Balances of prior grant awards that are unused
* Substantial turnover in key personnel
* Failure to comply with program and fiscal reporting requirements

**Closeout**

The closeout of the grant should begin as soon as the program is completed and all funds have been spent. A grant must be closed as soon as the first of the following items occurs:

* The grant award performance period has ended
* All required financial and program reports have been received and approved by ADE;
* All grant funds have been either properly expended by the recipient or returned to ADE by the recipient for unused funds.
* The ADE GPC has given approval to close the grant.

Grant recipients must complete the following actions at the close of the grant award as defined below:

* Grant recipients must present any requests for reimbursement that were incurred prior to the expiration of the grant award to ADE Finance within 30 days after the grant closure date. Any grant funds are not liquidated at the end of the 30 day period will lapse and may be requested to be returned to ADE, unless carryover approval has been obtained. Refunds from grant recipients will be due to ADE on or before the revised grant award ending date. Refunds of grant funds from recipients must are due to ADE within 30 days of notification that a refund is due.
* A final financial performance report must be submitted to ADE program staff within 30 days after the grant closure date. (Using the **“ADE Grant Budget and Budget Narrative Form”**) Before a grant may be closed out, any remaining balance of grant funds must be promptly returned by the grant recipient to ADE. Reports that have a remaining balance of funds may not be closed.
* A final program performance report must be submitted to ADE program staff within 30 days after the grant closure date. (Using the **“ADE Grant Performance Report Form”**) This report must be reviewed to ensure that the grant recipient has achieved or progressed toward the achievement of all program goals and objectives.

**Federal Grant Requirements**

**Procurement Standards for Federal Awards**

Grant recipients receiving Federal funds must comply with the with the general procurement standards at 2 CFR 200.318-326. When procuring property and services under a Federal award, grant recipients must use their own documented procurement procedures provided that these procurements conform to applicable Federal law and the standards identified at 2 CFR 200.318-326. In the absence of the recipients’ documented procurement standards or if the recipients’ standards do not meet the general procurement standards requirements, the grant recipient must follow the State procurement laws and regulations (A.C.A. §19-11-201, et seq.). All procurement transactions must be conducted in a manner providing full and open competition. Grant recipients should avoid any actual or appearance of conflicts of interest or non-competitive practices.

**Conflict of Interest**

Grant recipients must establish conflict of interest policies and disclose in writing any potential conflict of interest to the federal awarding agency or ADE in accordance with applicable Federal awarding agency policy.

**Allowability of Costs**

Grant recipients must have their own documented procedures for determining the allowability of costs in accordance with the Federal standards at 2 CFR 200.302(b)(7).

**Cost Sharing or Matching**

Grant recipients must comply with any cost sharing or matching requirements of the Federal award. Cost sharing or matching is the portion of the project/program costs not paid by the Federal government. A cost sharing or matching requirement may be satisfied by either allowable costs incurred by the grant recipient or the value of third party in-kind contributions applicable to the period to which the cost sharing or matching requirements applies.

Required cost sharing/matching may be a certain percentage or amount of program costs that must be contributed by a grant applicant in order to be eligible for funding.

Applications submitted for funding that have required cost matching must include:

* The specific costs or contributions proposed to meet the matching or cost-sharing requirement;
* The source of the cost-sharing; and
* In the case of in-kind contributions, a description of how the value was determined for the donated or contributed services or goods.

**Cash Management**

Grant recipients must have their own documented cash management procedures that comply with the Federal standards at 2 CFR 200.302(b)(6) and 200.305. Payment to grant recipients must minimize the time elapsing between the transfer of funds to the grant recipient and the expenditure of these funds by the grantee. Funds will not be paid in a lump sum, but be disbursed over time as costs are incurred or anticipated. Advance payments to grant recipients must be limited to the minimum amounts needed and in accordance with the immediate cash requirements of the grantee in carrying out the purpose of the grant. Reimbursement is the preferred funding method for recipients.

**Audit Requirements**

Grant recipients must comply with all Federal audit standards at 2 CFR 200.500-512. Grant recipients that expend $750,000 or more of Federal funds in any fiscal year must have a single audit or program-specific audit conducted for that year. Failure to obtain an audit could result in requiring additional specific conditions to the grant recipient or the implementation of the remedies provided in the **Failure to Comply** guidelines.

**Certification Regarding Lobbying**

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or intending to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Subrecipient shall complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying," to the Pass-through Entity.
3. The Subrecipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

ADE is awarding this grant to the recipient listed above. The recipient is agreeing to adhere to the approved grant proposal/application and budget.

By signing below, the grant recipient is indicating that they have read and agreed to comply with all the terms and conditions of the grant agreement.

**ADE Assistant Commissioner Name and Division**

**Date**

**Recipient Authorized Representative Name and Title**

**Date**