



# Commonwealth of Kentucky

## CONTRACT MODIFICATION

**DOC ID NUMBER:**

SC 095 2000001643

Version: 4

Record Date: 09/28/2022

Document Description: CSEPP FY20 Grant

 Cited Authority: KRS39A.030  
 Grant activity-Div of Emergency Mgmt

 Reason for Modification: MODIFICATION #3  
 September 26, 2022

 Original Contract Amount: \$16,309,234.00  
 Amount of Increase: \$0.00  
 New Contract Amount: \$16,309,234.00

Extending contract from 9/30/2022 to 9/30/2023 to provide additional time for project completion.

 Added Program Agreement Requirements and changed Finance MOA/PSC Exception Standard Terms & Conditions to Finance MOA Standard Terms & Conditions December 2019. The following changes have been made:  
 -Period of Performance (revised)  
 -Program Agreement Requirements (added)

**Issuer Contact:**

 Name: Kim Hedden  
 Phone: 502-607-5715  
 E-mail: kim.hedden@ky-em.org

**Vendor Name:**

Multiple Provider

702 Capitol Avenue

 OMPS  
 Frankfort KY 40601

**Vendor No.**

ZZMISCPROC

**Vendor Contact**

 Name: No Contact  
 Phone: XXX-XXX-XXXX  
 Email:

**Effective From:** 10/01/2019

**Effective To:** 09/30/2023

Line Item	Delivery Date	Quantity	Unit	Description	Unit Price	Contract Amount	Total Price
1		0.00000		FY20 CSEPP Grant	\$0.000000	\$16,309,234.00	\$16,309,234.00

**Extended Description:**

1. FAIN # EMA-2020-CA-5820.
2. Federal award date is May 15, 2020.
3. 100% federally-funded grant activity for the Commonwealth's Chemical Stockpile Emergency Preparedness Program (CSEPP). CSEPP funds are available to Clark, Estill, Fayette, Garrard, Jackson, Jessamine, Laurel, Madison, Powell, and Rockcastle counties on a reimbursement basis subject to state and federal program guidelines.

4. Federal awarding agency is the Department of Homeland Security, Federal Emergency Management Agency (FEMA, Region IV). Pass-through entity is the Commonwealth of Kentucky, Department of Military Affairs, Division of Emergency Management. Contact Information for awarding official is Ceporia McMillian (202)717-7096.

5. CFDA # 97.040, Chemical Stockpile Preparedness Program  
FY20 \$16,309,234.00 (amount available under each Federal award)  
Award Start Date: October 1, 2019  
Award End Date: September 30, 2023

<b>Shipping Information:</b>	<b>Billing Information:</b>
DMA - Division of Emergency Management 100 Minuteman Pkwy Bldg 110 Frankfort KY 40601	DMA - Division of Emergency Management 100 Minuteman Pkwy Bldg 110 Frankfort KY 40601

<b>TOTAL CONTRACT AMOUNT:</b>	<b>\$16,309,234.00</b>
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	<b>Document Description</b>	<b>Page 3</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

**Memorandum of Agreement Terms and Conditions**

Revised March 2020 July 2021

**MODIFICATION #3**

September 26, 2022

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- Period of Performance (revised)
- Program Agreement Requirements (added)

**ADMINISTRATIVE MODIFICATION #2**

January 24, 2022

Modification to add signature page, social security and/or violation of tax and employment laws, 501c3 IRS letter and affidavit (if applicable) for all vendors received to date. No change in contract amount or scope of work.

**MODIFICATION #1**

September 20, 2021

Original Contract Amount: \$16,309,234.00

Amount of Increase: \$0.00

New Contract Amount: \$16,309,234.00

Extending contract from 9/30/2021 to 9/30/2022 to provide additional time for project completion.

Updated Agency Terms & Conditions and MOA/PSC Exception Standard Terms & Conditions to the latest July 2021 version. The following has been updated:

- Parties
- Purpose (added)
- Period of Performance (added)
- Scope of Services
- Pricing (updated to Payment)
- Choice of Law and Forum Provision (removed)

	<b>Document Description</b>	<b>Page 4</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

- Information Ownership and Management (added)
- Program Agreement Requirements (added)

**Parties**

This Memorandum of Agreement (MOA) is entered into, by and between the Commonwealth of Kentucky, Department of Military Affairs, Division of Emergency Management (“the Commonwealth”) and ~~and the ten Chemical Stockpile Emergency Preparedness Program (CSEPP) counties, within the Commonwealth of Kentucky, (“the Contractor”)~~ to establish an agreement to distribute funds which benefits the Chemical Stockpile Emergency Preparedness Program a Kentucky county participating in the Commonwealth’s Chemical Stockpile Emergency Preparedness Program (CSEPP) (the “Contractor,” together with the Commonwealth, the “Parties.”)

**Purpose**

The Parties enter into this MOA to establish an agreement for the administration of funds awarded the Commonwealth by the United States Department of Homeland Security, Federal Emergency Management Agency (“FEMA”) for CSEPP on May 27, 2020.

**Period of Performance**

The initial MOA is effective ~~from~~ October 1, 2019 through ~~September 30, 2021~~ September 30, 2022 September 30, 2023, consistent with the cooperative agreement between FEMA and the Commonwealth EMA-2020-CA-5820.

**Scope of Services**

~~CSEPP funds will be used to support emergency preparedness activities in a ten county area that surrounds the Bluegrass Army Depot in Richmond, Kentucky. Local CSEPP funded personnel shall implement the program at the local level to achieve and maintain a high level of response capability in the event of a chemical incident at the Bluegrass Army Depot.~~

~~Ten counties within the Commonwealth of Kentucky, including: Clark, Estill, Fayette, Garrard, Jackson, Jessamine, Laurel, Madison, Powell, Rockcastle, and (each as the second party), is the contractor as defined by KRS 45A.030 (9) and agrees that they are willing, available and qualified to perform the scope of work as detailed in this contract and as specifically outlined. Contractor agrees it is willing, available and qualified to perform the entire scope of services contemplated by this MOA; specifically, emergency preparedness activities (“Activities”) within a ten county area surrounding the Bluegrass Army Depot in Richmond, Kentucky (Clark, Estill, Fayette, Garrard, Jackson, Jessamine, Laurel, Madison, Powell, and Rockcastle counties.) Activities shall include the employment of personnel to achieve and maintain a high level of local response capability in the event of a chemical incident at the Bluegrass Army Depot.~~

**Pricing Payment**

	<b>Document Description</b>	<b>Page 5</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

~~This contract MOA administers is for a 100% federally-funded grant ("CSEPP Funds") Award to be processed on a reimbursement basis. The total contract amount for FY20 is in the amount of \$16,309,234.00 awarded the Commonwealth by FEMA for CSEPP. The Commonwealth shall disburse CSEPP Funds to Contractor on a reimbursement basis only, and subject to the terms of this MOA.~~

~~The Second Party fees and expenses relative to the performance of the scope of services outlined in this Contract and in the detailed attachment(s) to this contract shall not exceed the Total Order Amount as set forth on signature page of this Contract. The subject services and functions are to be performed during the term of this contract as set forth on page 1. It is understood that this contract is not effective and binding until approved by the Secretary of the Finance and Administration Cabinet and/or Legislative Research Commission's Government Contract Review Committee per KRS 45A.705.~~

~~Payment by the First Party to the Second Party shall be made only after receipt of appropriate, acceptable and timely invoice, as so described in this Contract, and as submitted in written or electronic format to the First Party by the Second Party. The preferred method of payment will be through electronic funds transfer.~~

~~(a) The contractor shall be reimbursed for no other expenses than those, which have been expressly detailed in this Contract. All direct charges shall be documented to support the direct charging of the expense.~~

~~(b) Where applicable:~~

~~(i) Invoicing for fee: The contractor's fee shall be original invoice(s) and shall be documented by the contractor. The invoice(s) must conform to the method prescribed in the specifications of this contract.~~

~~(ii) Invoicing for travel expenses: The contractor must follow instructions prescribed in the specifications of this contract. Either original or certified copies of receipts must be submitted for airline tickets, motel bills, restaurant charges, rental car charges, and other miscellaneous expenses.~~

~~(iii) Invoicing for miscellaneous expenses: The contractor must follow instructions prescribed in the specifications of this contract. Expenses submitted shall be documented by original or certified copies.~~

~~The contractor shall be paid no travel expense unless and except as specifically authorized under the specifications of this contract. Unless otherwise indicated, travel reimbursement shall be in accordance with 200 KAR 2:006. No travel time nor travel expenses will be included in the Second Party's or any subcontractor's hourly rates.~~

	<b>Document Description</b>	<b>Page 6</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

- (a) **Reimbursement limitations:** The Parties agree that Contractor shall not incur, and the Commonwealth shall not reimburse, fees or expenses not expressly provided for by the terms of this MOA, including without limitation:
1. Activities exceeding the Total Order Amount designated by the Commonwealth and agreed upon by Contractor on the signature page of this MOA;
  2. Activities performed outside the Period of Performance for this MOA; and
  3. Fees and expenses determined by the Commonwealth or FEMA to be ineligible for reimbursement under EMA-2020-CA-5820.
- (b) **Reimbursement process:** The preferred method of payment shall be electronic funds transfer. The Parties agree that payment shall be made only upon the Commonwealth's receipt of appropriate, acceptable, and timely invoice submitted by Contractor in written or electronic form. Contractor agrees to document and retain records of all direct charges supporting Activities.
1. **Invoicing fees:** Contractor shall submit to Commonwealth original invoice(s) documenting Activities performed by Contractor, sub-contractor, or other in conformity with the terms of this MOA.
  2. **Invoicing travel expenses:** The Commonwealth shall only reimburse travel expenses and travel fees for Activities directly incurred and specifically agreed upon by the Parties in writing. Contractor shall not agree to pay a subcontractor for travel time or travel expenses by an hourly rate. Contractor shall submit original or certified records to the Commonwealth for payment of reimbursable travel expenses.
  3. **Invoicing miscellaneous expenses:** Contractor shall submit original or certified records to the Commonwealth for payment of reimbursable miscellaneous expenses.

### **Agency Standard Terms and Conditions**

#### **General**

(a) The Federal government mandates that all Federal awards are used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award. The Federal government requires that the Department of Military Affairs, as the pass through entity for such awards, monitor the performance of the subrecipient under a Federal award and impose all necessary requirements on the subrecipient in order for the Department

	<b>Document Description</b>	<b>Page 7</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports.

These mandates and requirements are set forth in Title 2 (Grants and Agreements) of the Code of Federal Regulations under Part 200 (Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards). This set of regulations is more commonly referred to as 2 CFR 200.

(b) The Kentucky Division of Emergency Management, in the exercise of its lawful duties, has determined that the functions outlined in this Contract are necessary for the performance of the statutory and regulatory requirements of the Kentucky Division of Emergency Management, Department of Military Affairs, General Government Cabinet.

(c) Per 2 CFR § 200.501, subrecipients of federal grant money disbursed under this Contract that have expended more than \$750,000 in total federal grant money during the subrecipient's fiscal year, beginning with fiscal year end 2016, must have a single or program specific audit conducted for that year. All subrecipients that are signatories to this Contract must ensure that any such required annual audit is performed within nine (9) months of closing of the subrecipient's fiscal year. A copy of the annual audit must be provided to the First Party no later than 30 days after receipt of the final report therefore within (10) ten months of closing of the subrecipient's fiscal year.

(d) Per 2 CFR § 200.112, subrecipients must disclose in writing any real or potential conflict of interest, as defined by Federal, state, or local statutes or regulations or the subrecipients' own existing policies, that may arise during the administration of the federal award. Subrecipients must disclose any real or potential conflicts to the applicable First Party program manager within five (5) days of learning of the conflict of interest.

(e) Per 2 CFR §200.338, subrecipients must within thirty (30) days disclose, in writing to the Federal grantor listed in the extended description of the contract and the First Party, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in 2 CFR § 200.338 Remedies for Noncompliance, including Suspension or Debarment.

(f) This Contract implements elements of a federal grant program from the United States Department of Homeland Security, Catalog of Federal Domestic Assistance number 97.040, Chemical Stockpile Emergency Preparedness Program (CSEPP) for which the Kentucky Division of Emergency Management is the grantee within the Commonwealth of Kentucky.

**Subcontractor Requirement**

The Second Parties agree that all requirements of this contract shall also be applicable and binding on any subcontractor (subject to First Party approval) the Second Parties

	<b>Document Description</b>	<b>Page 8</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

contract with to meet the statement of work, method of payment, and deliverables of this contract.

**Certification of Lobbying**

(a) No state funds appropriated to the Second Parties pursuant to this contract shall be used to influence, either directly or indirectly, the introduction or modification of any federal or state legislation, or the outcomes of any federal, state or local election, referendum, or initiative.

(b) In addition, for any payment involving federal funds, the Second Parties certify to the best of their knowledge and belief, that for the preceding contract period, if any, and for this current contract period:

No federal appropriated funds have been paid or will be paid, by or on behalf of the Second Parties, 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 contract, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative contract.

(c) If any funds other than federal appropriated funds have been paid or will be paid 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 this federal contract, grant, loan or cooperative contract, the Second Party shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying", in accordance with its instructions.

(d) The Second Parties shall require that the language of this certification be included in the award documents for all subawards at all tiers, including subcontractors, subgrants, and contracts under grants, loans, and cooperative contracts, and that all subrecipients shall certify and disclose accordingly.

(e) 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 under 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 such failure.

**Extensions and Amendments to this Contract**

The terms and conditions of this contract may be extended or amended according to the provisions of KRS Chapter 45A, and are subject to the approval of the Secretary of the Finance and Administration Cabinet and/or the Legislative Research Commission's Government Contracts Review Committee.



	<b>Document Description</b>	<b>Page 9</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

**Choice of Law and Forum Provision**

~~The laws of the Commonwealth shall govern all questions as to the execution, validity, interpretation and performance of this contract. Furthermore, the parties hereto agree that any legal action that is brought on the basis of this contract shall be filed in the Franklin County Circuit Court of the Commonwealth of Kentucky. However, see Applicable Law for exception regarding United States.~~

**Sole Benefit**

This Contract is intended for the sole benefit of the First Party, the Second Party, and, if implementing a federal grant program element, the United States Government and is not intended to create any other beneficiaries.

**Successors and Assigns**

This Contract may not be assigned by a party without the express written consent of the other party. All covenants made under this Contract shall bind and inure to the benefit of any successors and assigns of the parties whether or not expressly assumed or acknowledged by such successors or assigns.

**Entire Contract**

This Contract forms the entire contract between the parties as to scope and subject matter of this Contract. All prior discussions and understandings concerning the scope and subject matter are superseded and incorporated by this Contract.

**Severability**

If any provision of this Contract is held judicially invalid, the remainder of the Contract shall continue in force and effect to the extent not inconsistent with such holding.

**Breach of Contract**

(a) If a party waives enforcement of any provision of this Contract upon any event of breach by the other party, the waiver shall not automatically extend to any other or future events of breach.

(b) Breach or violation of Terms and Conditions shall be cause for termination of contract.

**Data Collection/Analysis Limitations**

No data collected and provided by the First Party shall be used for any other purpose other than those expressly authorized in this Contract.

**Campaign Finance**

The contractor certifies that neither he/she nor any member of his/her immediate family having an interest of 10% or more in any business entity involved in the performance of this contract, has contributed more than the amount specified in KRS 121.056(2), to the

	<b>Document Description</b>	<b>Page 10</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

campaign of the gubernatorial candidate elected at the election last preceding the date of this contract. The contractor further swears under the penalty of perjury, as provided by KRS 523.020, that neither he/she nor the company which he/she represents, has knowingly violated any provisions of the campaign finance laws of the Commonwealth, and that the award of a contract to him/her or the company which he/she represents will not violate any provisions of the campaign finance laws of the Commonwealth.

**Change of Circumstances**

Each party shall promptly notify the other party of any legal impediment, change of circumstances, pending litigation, or any other event or condition that may adversely affect the party’s ability to carry out any of its obligations under this Contract.

**Liability and Indemnity**

Nothing in this Contract shall be construed as an indemnification by one party of the other for liabilities of a party or third persons for property loss or damage or death or personal injury arising out of and during the performance of this Contract. Any liabilities or claims for property loss or damage or for death or personal injury by a party or its agents, employees, contractors or assigns or by third persons, arising out of and during the performance of this Contract shall be determined according to applicable law.

**Financial Management System**

(a) Applicable only to contracts where reimbursement is based upon actual, allowable costs.

(b) The Second Parties agree to establish and/or maintain a financial management system which shall provide for:

(i) Accurate, current, and complete disclosure of the financial results of the functions/ services performed under this contract in accordance with the reporting requirements as set forth in this Contract and attachment(s) thereto;

(ii) Records that identify the source and application of funds for activities/functions/ services performed pursuant to this contract. These records shall contain information pertaining to federal and/or state funds received, obligations, unobligated balances, if applicable, assets, liabilities, expenditures and income;

(iii) Effective control over and accountability for all funds, property, and other assets. The Second Parties shall safeguard all such assets and shall assure that they are used solely for authorized purposes in the provision of functions/services under this contract;

(iv) Procedures for determining reasonableness, and allow ability of costs in accordance with the terms and conditions of this Contract and any attachment(s) thereto; and

(v) Accounting records that are supported by source documentation.

	<b>Document Description</b>	<b>Page 11</b>
2000001643	CSEPP FY20 Grant	

### **Lobbying**

(a) The Second Parties agree that they will not expend any funds appropriated by Congress to pay any person for influencing or attempting to influence an officer or employee of any agency, or a Member of Congress in connection with any of the following Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative contract; and, the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative contract.

(b) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

### **Drug-Free Work Place**

(a) The Second Parties agree that they will comply with the provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.) and maintain a drug-free workplace.

(b) The Final Rule, Government-Wide Requirements for Drug-Free Workplace (Grants), issued by the United States Office of Management and Budget is incorporated by reference and the Second Party covenants and agrees to comply with all the provision thereof, including any amendments to the Final Rule that may hereafter be issued.

### **Environmental Standards**

(a) The Second Parties agree that their performance under this contract shall comply with: the requirements of Section 114 of the Clean Air Act (42 U.S.C. 7401-7671q) and Section 308 of the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), that relate generally to inspection, monitoring, entry reports and information, and with all regulations and guidelines issued thereunder; the Resources Conservation and Recovery Act (RCRA); the Comprehensive Environmental Response, Compensation and Liabilities Act (CERCLA); the National Environmental Policy Act (NEPA); and any applicable Federal, State, or Local environmental regulation.

(b) The Second Parties shall insure that no facility used in their performance under this contract is listed on the Environmental Protection Agency (EPA) list of violating facilities pursuant to 40 CFR Part 15 without the concurrence of the First Party. The Second Parties shall notify the First Party of the receipt of any communication from EPA indicating that a facility to be or being used in its performance under this Contract is under consideration for listing on the EPA list of violating facilities.

### **Preference for U.S. Flag Carriers**

	Document Description	Page 12
2000001643	CSEPP FY20 Grant	

The Second Parties agree to comply with 46 U.S.C. 1241(b) and regulations issued thereunder (46 CFR Part 381) concerning the use of privately-owned United States flag commercial vessels.

**Debarment and Suspension**

(a) The Second Parties shall not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549 and 12689, “Debarment and Suspension”.

(b) The Final Rule, Government-Wide Debarment and Suspension (Non-procurement), issued by the United States Office of Management and Budget is incorporated by reference and the Second Party covenants and agrees to comply with all the provision thereof, including any amendments to the Final Rule that may hereafter be issued.

**Hatch Act**

The Second Parties agree to comply with the Hatch Act (5 U.S.C. 1501 -1508 and 7324 - 7328), as implemented by the United States Office of Personnel Management at 5 CFR Part 151, which limits political activity of employees or officer of State or local governments whose employment is connected to an activity financed in whole or part with Federal funds.

**Buy American Act**

The Second Parties agree that they will not expend any funds appropriated by Congress without complying with The Buy American Act (41 U.S.C. 10). The Buy American Act gives preference to domestic end products and domestic construction materials. In addition, the Memorandum of Understanding between the United States of America and the European Economic Community on Government Procurement, and the North American Free Trade Contract (NAFTA), provide the EC and NAFTA end products and construction materials are exempted from application of The Buy American Act.

**Copeland “Anti-Kickback” Act**

The Second Parties agree that they will comply with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145) as supplemented in United States Department of Labor (29 CFR Part 3). As applied to this contract, the Copeland “Anti-Kickback” Act makes it unlawful to induce, by force, intimidation, threat or procuring dismissal from employment, or otherwise, any person employed in the construction or repair of public buildings or public works, finance in whole or in part by the United States, to give up nay part of the compensation to which that person is entitled under a contract of employment.

**Purchasing and Specifications**

The Second Parties certify that he/they will not attempt in any manner to influence any specifications to be restrictive in any way or respect nor will he/they attempt in any way to influence any purchasing of services, commodities or equipment by the Commonwealth of Kentucky. For the purpose of this paragraph, “He” is construed to mean “They” if more

	<b>Document Description</b>	<b>Page 13</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

than one person is involved and if a firm, partnership, corporation, or other organization is involved, then "He" is construed to mean any person with an interest therein.

### **Confidentiality**

The Second Parties agree that any employee or agent acting in its behalf will abide by the state and federal rules and regulations governing access to and use of information provided to the second party by the First Party in the administration of this contract.

### **Audit Requirements and Required Monitoring**

#### **Subrecipient Audit Requirements**

If the Second Party is a governmental entity, an institution of higher learning, or other nonprofit institution, the Second Party shall procure an audit in accordance with the 2 CFR 200, Subpart F-Audit Requirements. The Second Party must ensure that any such required annual audit is performed within nine (9) months of closing of the Second Party's fiscal year. The Second Party shall fully comply with the Federal Audit Clearinghouse (FAC) audit submission requirements set forth in 2 CFR 200.512. The First Party shall access the FAC to obtain the Second Party's audit reporting package and data collection form for review as soon as practicable after required submission. The First Party shall reserve the right to require the Second Party provide a copy of the audit in the event that the FAC submission is not accessible, or if the Second Party fails to comply with the requirements of 2 CFR 200.512.

#### **Subrecipient Monitoring**

##### **Required Risk Assessment**

2 CFR §200.331(b) requires that the First Party evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring, which may include consideration of such factors as:

- (a) The subrecipient's prior experience with the same or similar subawards;
- (b) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F—Audit Requirements of this part, and the extent to which the same or similar subaward has been audited as a major program;
- (c) Whether the subrecipient has new personnel or new or substantially changed systems; and
- (d) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).

#### **Monitoring of Subrecipient**

2 CFR §200.331(d) requires that the First Party, as the pass through entity, monitor the activities of the subrecipient as necessary to ensure that the subaward is used for

	Document Description	Page 14
2000001643	CSEPP FY20 Grant	

authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. In accordance with 2 CFR §200.331(d) First Party monitoring of the subrecipient must include:

- (a) Reviewing financial and performance reports required by the First Party.
- (b) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the First Party detected through audits, on-site reviews, and other means.
- (c) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the First Party as required by 2 CFR §200.521 Management decision.

#### Monitoring Tools

Depending upon the First Party's assessment of risk posed by the subrecipient (as described in Required Risk Assessment); monitoring tools may be utilized to ensure proper accountability and compliance with program requirements and achievement of performance goals. Monitoring tools include but are not limited to:

- (a) Providing subrecipients with training and technical assistance on program-related matters; and
- (b) Performing on-site reviews of the subrecipient's program operations;
- (c) Arranging for agreed-upon-procedures engagements as described in 2 CFR §200.425 Audit services.

#### Imposition Of Specific Subaward Conditions

2 CFR §200.331(c) requires that the First Party consider the imposition of specific subaward conditions upon a subrecipient as needed under the following circumstances stated in 2 CFR §200.207 (*Specific Conditions*):

- (a) Based on criteria set forth in 2 CFR §200.205, Federal awarding agency review of risk posed by applicants;
- (b) When an applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal award;
- (c) When an applicant or recipient fails to meet expected performance goals as described in 2 CFR §200.210 Information contained in a Federal award; or
- (d) When an applicant or recipient is not otherwise responsible.

These additional Federal award conditions may include items such as the following:

- (a) Requiring payments as reimbursements rather than advance payments;

	<b>Document Description</b>	<b>Page 15</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

- (b) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;
- (c) Requiring additional, more detailed financial reports;
- (d) Requiring additional project monitoring;
- (e) Requiring the non-Federal entity to obtain technical or management assistance; or
- (f) Establishing additional prior approvals.

The First Party must notify the subrecipient as to:

- (a) The nature of the additional requirements;
- (b) The reason why the additional requirements are being imposed;
- (c) The nature of the action needed to remove the additional requirement, if applicable;
- (d) The time allowed for completing the actions if applicable, and
- (e) The method for requesting reconsideration of the additional requirements imposed.

Any specific conditions shall be promptly removed once the conditions that prompted them have been corrected.

#### Remedies For Noncompliant Subrecipients

2 CFR §200.331(h) requires that the First Party consider taking enforcement action against subrecipients who fail to comply with Federal statutes, regulations or the terms and conditions of a Federal award when the First Party determines that noncompliance cannot be remedied by imposing additional conditions as described under Imposition of Specific Subaward Conditions. In accordance with §200.338 (Remedies for noncompliance) the First Party may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Recommend to the Federal awarding agency to initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency.
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

#### Applicable Law

This Contract is incidental to the implementation of a federal grant program. Accordingly, this Contract shall be governed by and construed according to Federal law as it may affect the right, remedies, and obligations of the United States.

#### Governing Regulations

	<b>Document Description</b>	<b>Page 16</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

To the extent not inconsistent with the express terms of this Contract, the provisions of 49 CFR 18, Uniform Administrative Requirements for Grants and Cooperative Contracts and 2 CFR 200, Subpart E, Cost Principles, which are hereby incorporated by reference as if fully set forth herein, shall govern this Contract.

**Procurement**

The acquisitions of goods and services by the Contractor in performance of the Contract shall be according to applicable Commonwealth of Kentucky contracting procedures and the applicable federal standards and procedures to include, but not limited to, 2 CFR 200, 44 CFR, 49 CFR, and 32 CFR.

**Environmental Requirements**

The contractor is encouraged to integrate National Environmental Policy Act compliance and related legislation as implemented under 44 CFR and 2 CFR 200 in the execution and administration of this contract.

**Uniform Administrative Requirements**

The contractor will follow the administrative requirements under 2 CFR Part 200, and 49 CFR.

**Cost Principles**

Allowability of costs for reimbursement will be determined as outlined in 2 CFR 200 Subpart E-Cost Principles.

**Contract Work Hours and Safety Standards Act**

Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S. C. 3701 - 3708) as supplemented by Department of Labor Regulation.

**Patent Rights**

This standard Patent Right Clause found at 37 CFR 401.12 is hereby incorporated by reference which governs rights to inventions made by non-profit organizations and small business firms under Government grants, contracts, and cooperative contracts.

**Davis-Bacon Act**

As amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each



	<b>Document Description</b>	<b>Page 17</b>
2000001643	CSEPP FY20 Grant	

solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

### **Procurement of Recovered Materials**

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

### **Federal Discrimination Clause**

This section applies only to agreements disbursing federal funds, in whole or part, when the terms for receiving those funds mandate its inclusion. Discrimination (because of race, religion, color, national origin, sex, sexual orientation, gender identity, age, or disability) is prohibited. This section applies only to contracts utilizing federal funds, in whole or in part. During the performance of this contract, the contractor agrees as follows:

(a) The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, sex, sexual orientation, gender identity or age. The contractor further agrees to comply with the provisions of the Americans with Disabilities Act (ADA), Public Law 101-336, and applicable federal regulations relating thereto prohibiting discrimination against otherwise qualified disabled individuals under any program or activity. The contractor agrees to provide, upon request, needed reasonable accommodations. The contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, national origin, sex, sexual orientation, gender identity, age or disability. Such action shall include, but not be limited to the following; employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensations; and selection for

	<b>Document Description</b>	<b>Page 18</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

(b) The contractor will, 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, religion, color, national origin, sex, sexual orientation, gender identity, age or disability.

(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance.

(d) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965 as amended, and of the rules, regulations and relevant orders of the Secretary of Labor.

(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further government contracts or federally-assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in or as otherwise provided by law.

(g) The contractor will include the provisions of paragraphs (1) through (7) of section 202 of Executive Order 11246 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor, issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the agency, the contractor

	Document Description	Page 19
2000001643	CSEPP FY20 Grant	

may request the United States to enter into such litigation to protect the interests of the United States.

- (i) Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.);
- (ii) Executive Order 11246 and Department of Labor regulations issued thereunder (41 CFR Part 60);
- (iii) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);
- (iv) The Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

**Federal Access to Records Clause**

The subrecipient, as defined by 2 CFR §200.93, is required to permit the First Party and auditors to have access to its records and financial statements as necessary for the First Party to meet the requirements of 2 CFR §200.331 (a)(5) and the appropriate terms and conditions concerning closeout of the subaward.

**Information Ownership and Management**

(a) Unless otherwise stated herein, data and information shared or acquired by the Parties in furtherance of this contract (“Data”) shall be and remain the sole property of the Commonwealth. Contractor(s) and their agents and assigns, shall not use Data for any other purpose not expressly authorized herein to extent permitted by state and federal law.

(b) Contractor(s) agrees to comply with KRS 61.931 et seq., Kentucky’s Personal Information Security and Breach Investigation Procedures and Practices Act, (the “Act.”) To the extent Contractor(s) receives Personal Information as defined by and in accordance with the Act, in furtherance of Activities performed hereunder, Contractor(s) shall secure and protect Personal Information by, and without limitation:

- 1. Utilizing security and breach investigation procedures appropriate to the nature of the Personal Information disclosed, reasonably designed to protect the Personal Information from unauthorized access, use, modification, disclosure, manipulation or destruction; and
- 2. Notifying the Commonwealth of a security breach relating to Personal Information in the possession of practice or subcontractors without undue delay

**Program Agreement Requirements  
Revised July 2022**

**Assurances, Administrative Requirements, Cost Principles, Representations and Certifications**

- 1. DHS financial assistance recipients must complete either the Office of Management and Budget (OMB) Standard Form 424B Assurances – Non-Construction Programs, or OMB Standard Form 424D Assurances – Construction Programs, as applicable. Certain assurances in these documents may not be applicable to your program, and the DHS financial assistance office (DHS FAO) may

	<b>Document Description</b>	<b>Page 20</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

require applicants to certify additional assurances. Applicants are required to fill out the assurances as instructed by the awarding agency.

2. DHS financial assistance recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at Title 2, Code of Federal Regulations (C.F.R.) Part 200 and adopted by DHS at 2 C.F.R. Part 3002.
3. By accepting this agreement, recipients, and their executives, as defined in 2 C.F.R. § 170.315, certify that their policies are in accordance with OMB's guidance located at 2 C.F.R. Part 200, all applicable federal laws, and relevant Executive guidance.

### **General Acknowledgements and Assurances**

All recipients, subrecipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.

1. Recipients must cooperate with any DHS compliance reviews or compliance investigations conducted by DHS.
2. Recipients must give DHS access to examine and copy records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities or personnel.
3. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.
4. Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law, or detailed in program guidance.
5. Recipients (as defined in 2 C.F.R. Part 200 and including recipients acting as pass-through entities) of federal financial assistance from DHS or one of its awarding component agencies must complete the DHS Civil Rights Evaluation Tool within thirty (30) days of receipt of the Notice of Award for the first award under which this term applies. Recipients of multiple awards of DHS financial assistance should only submit one completed tool for their organization, not per award. After the initial submission, recipients are required to complete the tool once every two (2) years if they have an active award, not every time an award is made. Recipients should submit the completed tool, including supporting materials, to [CivilRightsEvaluation@hq.dhs.gov](mailto:CivilRightsEvaluation@hq.dhs.gov). This tool clarifies the civil rights obligations and related reporting requirements contained in the DHS Standard Terms and Conditions. Subrecipients are not required to complete and submit this tool to DHS. The evaluation tool can be found at <https://www.dhs.gov/publication/dhs-civil-rights-evaluation-tool>.

	<b>Document Description</b>	<b>Page 21</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

The DHS Office for Civil Rights and Civil Liberties will consider, in its discretion, granting an extension if the recipient identifies steps and a timeline for completing the tool. Recipients should request extensions by emailing the request to [CivilRightsEvaluation@hq.dhs.gov](mailto:CivilRightsEvaluation@hq.dhs.gov) prior to expiration of the 30-day deadline.

**Standard Terms & Conditions**

**Acknowledgement of Federal Funding from DHS**

Recipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

**Activities Conducted Abroad**

Recipients must ensure that project activities performed outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

**Age Discrimination Act of 1975**

Recipients must comply with the requirements of the Age Discrimination Act of 1975, Public Law 94-135 (1975) (codified as amended at Title 42, U.S. Code, § 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.

**Americans with Disabilities Act of 1990**

Recipients must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, Pub. L. 101-336 (1990) (codified as amended at 42 U.S.C. §§ 12101–12213), which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.

**Best Practices for Collection and Use of Personally Identifiable Information (PII)**

Recipients who collect PII are required to have a publically-available privacy policy that describes standards on the usage and maintenance of PII they collect. The Department of Homeland Security (DHS) defines PII as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual.

**Civil Rights Act of 1964 – Title VI**

Recipients must comply with the requirements of Title VI of the Civil Rights Act of 1964 (codified as amended at 42 U.S.C. § 2000d et seq.), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. DHS implementing regulations for the Act are found at 6 C.F.R. Part 21 and 44 C.F.R. Part 7.

	<b>Document Description</b>	<b>Page 22</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

### **Civil Rights Act of 1968**

Recipients must comply with Title VIII of the Civil Rights Act of 1968, Pub. L. 90-284, as amended through Pub. L. 113-4, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (see 42 U.S.C. § 3601 et seq.), as implemented by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)—be designed and constructed with certain accessible features. (See 24 C.F.R. Part 100, Subpart D.)

### **Copyright**

Recipients must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 and an acknowledgement of U.S. Government sponsorship (including the award number) to any work first produced under federal financial assistance awards.

### **Debarment and Suspension**

Recipients are subject to the non-procurement debarment and suspension regulations implementing Executive Orders (E.O.) 12549 and 12689, which are at 2 C.F.R. Part 180 as adopted by DHS at 2 C.F.R. Part 3002. These regulations restrict federal financial assistance awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

### **Drug-Free Workplace Regulations**

Recipients must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 2 C.F.R. Part 3001, which adopts the Government-wide implementation (2 C.F.R. Part 182) of Sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106).

### **Duplication of Benefits**

Any cost allocable to a particular federal financial assistance award provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other federal financial assistance awards to overcome fund deficiencies, to avoid restrictions imposed by federal statutes, regulations, or federal financial assistance award terms and conditions, or for other reasons. However, these prohibitions would not preclude recipients from shifting costs that are allowable under two or more awards in accordance with existing federal statutes, regulations, or the federal financial assistance award terms and conditions.

### **Education Amendments of 1972 (Equal Opportunity in Education Act) – Title IX**

Recipients must comply with the requirements of Title IX of the Education Amendments of 1972, Pub. L. 92-318 (1972) (codified as amended at 20 U.S.C. § 1681 et seq.), which provide that no person in the United States will, on the basis of sex, be excluded from

	<b>Document Description</b>	<b>Page 23</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance. DHS implementing regulations are codified at 6 C.F.R. Part 17 and 44 C.F.R. Part 19.

### **Energy Policy and Conservation Act**

Recipients must comply with the requirements of the Energy Policy and Conservation Act, Pub. L. 94- 163 (1975) (codified as amended at 42 U.S.C. § 6201 et seq.), which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

### **False Claims Act and Program Fraud Civil Remedies**

Recipients must comply with the requirements of the False Claims Act, 31 U.S.C. §§3729-3733, which prohibit the submission of false or fraudulent claims for payment to the Federal Government. (See 31 U.S.C. §§ 3801-3812, which details the administrative remedies for false claims and statements made.)

### **Federal Debt Status**

Recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. (See OMB Circular A-129.)

### **Federal Leadership on Reducing Text Messaging while Driving**

Recipients are encouraged to adopt and enforce policies that ban text messaging while driving as described in E.O. 13513, including conducting initiatives described in Section 3(a) of the Order when on official government business or when performing any work for or on behalf of the Federal Government.

### **Fly America Act of 1974**

Recipients must comply with Preference for U.S. Flag Air Carriers (air carriers holding certificates under 49 U.S.C.) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. § 40118, and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

### **Hotel and Motel Fire Safety Act of 1990**

Recipients must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of Section 6 of the Hotel and Motel Fire Safety Act of 1990, 15 U.S.C. § 2225a

### **John S. McCain National Defense Authorization Act of Fiscal Year 2019**

Recipients, subrecipients, and their contractors and subcontractors are subject to the prohibitions described in section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 (2018) and 2 C.F.R. §§ 200.216, 200.327, 200.471, and Appendix II to 2 C.F.R. Part 200. Beginning August 13, 2020, the statute – as it applies to DHS recipients, subrecipients, and their contractors and subcontractors – prohibits obligating or expending federal award funds on certain



	<b>Document Description</b>	<b>Page 24</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

telecommunications and video surveillance products and contracting with certain entities for national security reasons.

**Limited English Proficiency (Civil Rights Act of 1964, Title VI)**

Recipients must comply with Title VI of the Civil Rights Act of 1964, (42 U.S.C. § 2000d et seq.) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance: <https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited> and additional resources on <http://www.lep.gov>.

**Lobbying Prohibitions**

Recipients must comply with 31 U.S.C. § 1352, which provides that none of the funds provided under a federal financial assistance award may be expended by the recipient to pay any person to influence, or attempt 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 any federal action related to a federal award or contract, including any extension, continuation, renewal, amendment, or modification.

**National Environmental Policy Act**

Recipients must comply with the requirements of the National Environmental Policy Act of 1969, (NEPA) Pub. L. 91-190 (1970) (codified as amended at 42 U.S.C. § 4321 et seq. and the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA, which require recipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.

**Nondiscrimination in Matters Pertaining to Faith-Based Organizations**

It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. Recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

**Non-supplanting Requirement**

Recipients receiving federal financial assistance awards made under programs that prohibit supplanting by law must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-federal sources.



	<b>Document Description</b>	<b>Page 25</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

### **Notice of Funding Opportunity Requirements**

All of the instructions, guidance, limitations, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this program are incorporated here by reference in the award terms and conditions. Recipients must comply with any such requirements set forth in the program NOFO.

### **Patents and Intellectual Property Rights**

Unless otherwise provided by law, recipients are subject to the *Bayh-Dole Act*, 35 U.S.C. section 200 *et seq.* Recipients are subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from federal financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. section 401.14.

### **Procurement of Recovered Materials**

States, political subdivisions of states, and their contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. 89-272 (1965), (codified as amended by the Resource Conservation and Recovery Act, 42 U.S.C. § 6962.) The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

### **Rehabilitation Act of 1973**

Recipients must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (1973), (codified as amended at 29 U.S.C. § 794,) which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

### **Reporting of Matters Related to Recipient Integrity and Performance**

General Reporting Requirements:

If the total value of any currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this federal award, then the recipients must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated here by reference in the award terms and conditions.

### **Reporting Subawards and Executive Compensation**

Reporting of first tier subawards.

Recipients are required to comply with the requirements set forth in the government-wide award term on Reporting Subawards and Executive Compensation located at 2 C.F.R.

	<b>Document Description</b>	<b>Page 26</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

Part 170, Appendix A, the full text of which is incorporated here by reference in the award terms and conditions.

### **Required Use of American Iron, Steel, Manufactured Products, and Construction Materials**

Recipients and subrecipients must comply with the Build America, Buy America Act (BABAA), which was enacted as part of the Infrastructure Investment and Jobs Act §§ 70901-70927, Pub. L. No. 117-58 (2021); and Executive Order 14005, Ensuring the Future is Made in All of America by All of America's Workers. See also Office of Management and Budget (OMB), Memorandum M-22-11, Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.

Recipients and subrecipients of federal financial assistance programs for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:

- (1) all iron and steel used in the project are produced in the United States--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (2) all manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- (3) all construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment that are used at or within the finished infrastructure project, but are not an integral part of the structure or permanently affixed to the infrastructure project.

#### *Waivers*

When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements.

- (a) When the federal agency has made a determination that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the agency determines that:
  - (1) applying the domestic content procurement preference would be inconsistent with the public interest;

	<b>Document Description</b>	<b>Page 27</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

(2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or

(3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the domestic content procurement preference must be in writing. The agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the OMB Made in America Office.

There may be instances where an award qualifies, in whole or in part, for an existing waiver described. For awards by the Federal Emergency Management Agency (FEMA), existing waivers are available and the waiver process is described at ["Buy America" Preference in FEMA Financial Assistance Programs for Infrastructure | FEMA.gov](#). For awards by other DHS components, please contact the applicable DHS FAO.

To see whether a particular DHS federal financial assistance program is considered an infrastructure program and thus required to include a Buy America preference, please either contact the applicable DHS FAO, or for FEMA awards, please see [Programs and Definitions: Build America, Buy America Act | FEMA.gov](#).

### **SAFECOM**

Recipients receiving federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

### **Terrorist Financing**

Recipients must comply with E.O. 13224 and U.S. laws that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Recipients are legally responsible to ensure compliance with the Order and laws.

### **Trafficking Victims Protection Act of 2000 (TVPA)**

Trafficking in Persons.

Recipients must comply with the requirements of the government-wide financial assistance award term which implements Section 106 (g) of the Trafficking Victims Protection Act of 2000 (TVPA), codified as amended at 22 U.S.C. § 7104. The award term is located at 2 C.F.R. § 175.15, the full text of which is incorporated here by reference.

### **Universal Identifier and System of Award Management**

Requirements for System for Award Management and Unique Entity Identifier Recipients are required to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal

	<b>Document Description</b>	<b>Page 28</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

Identifier Requirements located at 2 C.F.R. Part 25, Appendix A, the full text of which is incorporated here by reference.

**USA PATRIOT Act of 2001**

Recipients must comply with requirements of Section 817 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), which amends 18 U.S.C. §§ 175–175c.

**Use of DHS Seal, Logo and Flags**

Recipients must obtain permission from their DHS FAO prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

**Whistleblower Protection Act**

Recipients must comply with the statutory requirements for whistleblower protections (if applicable) at 10 U.S.C § 2409, 41 U.S.C. § 4712, and 10 U.S.C. § 2324, 41 U.S.C. §§ 4304 and 4310.

**Disposition of Equipment Acquired Under the Federal Award**

When original or replacement equipment acquired under this award by the recipient or its sub-recipients is no longer needed for the original project or program or for other activities currently or previously supported by DHS/FEMA, you must request instructions from KYEM to make proper disposition of the equipment pursuant to 2 C.F.R. Section 200.313.

	<b>Document Description</b>	<b>Page 29</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

**Memorandum of Agreement Standard Terms and Conditions  
Revised December 2019**

**1.00 Effective Date:**

All Memorandum of Agreements are not effective until the Secretary of the Finance and Administration Cabinet or his authorized designee has approved the agreement and until the agreement has been submitted to the government contract review committee. However, in accordance with KRS 45A.700, memoranda of agreement in aggregate amounts of \$50,000 or less are exempt from review by the committee and need only be filed with the committee within 30 days of their effective date for informational purposes.

KRS 45A.695(7) provides that payments on personal service contracts and memoranda of agreement shall not be authorized for services rendered after government contract review committee disapproval, unless the decision of the committee is overridden by the Secretary of the Finance and Administration Cabinet or agency head, if the agency has been granted delegation authority by the Secretary.

**2.00 EEO Requirements**

The Equal Employment Opportunity Act of 1978 applies to All State government projects with an estimated value exceeding \$500,000. The contractor shall comply with all terms and conditions of the Act.

**3.00 Cancellation clause:**

Both parties shall have the right to terminate and cancel this contract at any time not to exceed thirty (30) days' written notice served on the other party by registered or certified mail.

**4.00 Funding Out Provision:**

The state agency may terminate this agreement if funds are not appropriated to the contracting agency or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the agreement. The state agency shall provide the Contractor thirty (30) calendar day's written notice of termination of the agreement due to lack of available funding.

**5.00 Reduction in Contract Worker Hours:**

The Kentucky General Assembly may allow for a reduction in contract worker hours in conjunction with a budget balancing measure for some professional and non-professional

	<b>Document Description</b>	<b>Page 30</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

service contracts. If under such authority the agency is required by Executive Order or otherwise to reduce contract hours, the agreement will be reduced by the amount specified in that document. If the contract funding is reduced, then the scope of work related to the contract may also be reduced commensurate with the reduction in funding. This reduction of the scope shall be agreeable to both parties and shall not be considered a breach of contract.

**6.00 Access to Records:**

The state agency certifies that it is in compliance with the provisions of KRS 45A.695, "Access to contractor's books, documents, papers, records, or other evidence directly pertinent to the contract." The Contractor, as defined in KRS 45A.030, agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this agreement for the purpose of financial audit or program review. The Contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the agreement and shall be exempt from disclosure as provided in KRS 61.878(1)(c).

**7.00 Violation of tax and employment laws:**

KRS 45A.485 requires the Contractor and all subcontractors performing work under the agreement to reveal to the Commonwealth, prior to the award of a contract, any final determination of a violation by the Contractor within the previous five (5) year period of the provisions of KRS chapters 136, 139, 141, 337, 338, 341, and 342. These statutes relate to corporate and utility tax, sales and use tax, income tax, wages and hours laws, occupational safety and health laws, unemployment insurance laws, and workers compensation insurance laws, respectively.

To comply with the provisions of KRS 45A.485, the Contractor and all subcontractors performing work under the agreement shall report any such final determination(s) of violation(s) to the Commonwealth by providing the following information regarding the final determination(s): the KRS violated, the date of the final determination, and the state agency which issued the final determination.

KRS 45A.485 also provides that, for the duration of any contract, the Contractor and all subcontractors performing work under the agreement shall be in continuous compliance

	<b>Document Description</b>	<b>Page 31</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

with the provisions of those statutes, which apply to their operations, and that their failure to reveal a final determination as described above, or failure to comply with the above statutes for the duration of the agreement shall be grounds for the Commonwealth's cancellation of the agreement and their disqualification from eligibility for future state contracts for a period of two (2) years.

[Check box section below need only be included for Contractors that are quasi-governmental entities or 501(c)3 non-profit entities.]

Contractor must check one:

The Contractor has not violated any of the provisions of the above statutes within the previous five (5) year period.

The Contractor has violated the provisions of one or more of the above statutes within the previous five (5) year period and has revealed such final determination(s) of violation(s). Attached is a list of such determination(s), which includes the KRS violated, the date of the final determination, and the state agency which issued the final determination.

**8.00 Discrimination:**

This section applies only to agreements disbursing federal funds, in whole or part, when the terms for receiving those funds mandate its inclusion. Discrimination (because of race, religion, color, national origin, sex, sexual orientation, gender identity, age, or disability) is prohibited. During the performance of this agreement, the Contractor agrees as follows:

The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, sex, sexual orientation, gender identity or age. The Contractor further agrees to comply with the provisions of the Americans with Disabilities Act (ADA), Public Law 101-336, and applicable federal regulations relating thereto prohibiting discrimination against otherwise qualified disabled individuals under any program or activity. The Contractor agrees to provide, upon request, needed reasonable accommodations. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, national origin, sex, sexual orientation, gender identity, age or disability. Such action shall include, but not be limited to the following; employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensations; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places,

	<b>Document Description</b>	<b>Page 32</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

In all solicitations or advertisements for employees placed by or on behalf of the Contractor, the Contractor will, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, sex, sexual orientation, gender identity, age or disability.

The Contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance.

The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965 as amended, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of this agreement or with any of the said rules, regulations or orders, this agreement may be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further government contracts or federally-assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in or as otherwise provided by law.

The Contractor will include the provisions of paragraphs (1) through (7) of section 202 of Executive Order 11246 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor, issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action



	<b>Document Description</b>	<b>Page 33</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

	<b>Document Description</b>	<b>Page 34</b>
<b>2000001643</b>	<b>CSEPP FY20 Grant</b>	

**Approvals**

This contract is subject to the terms and conditions stated herein. By affixing signatures below, the parties verify that they are authorized to enter into this contract and that they accept and consent to be bound by the terms and conditions stated herein. In addition, the parties agree that (i) electronic approvals may serve as electronic signatures, and (ii) this contract may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single contract.

**1st Party:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**2nd Party:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Mayor  
Title

Linda Gorton  
\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**Other Party:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**Approved as to form and legality:**

\_\_\_\_\_  
Attorney