

**AGREEMENT between the
LAKE COUNTY STORMWATER MANAGEMENT COMMISSION
and VILLAGE OF LIBERTYVILLE for
CHARLES BROWN PARK WETLAND DETENTION AND FOREBAYS PROJECT**

Project No. SMC-WDP-18-247

This is an agreement by and between the LAKE COUNTY STORMWATER MANAGEMENT COMMISSION (herein referred to as **SMC**), 500 West Winchester Road, Libertyville, Illinois 60048 and the VILLAGE OF LIBERTYVILLE, (herein referred to as **RECIPIENT**), 118 West Cook Avenue, Libertyville, Illinois 60048.

PURPOSE

Through this Agreement, SMC agrees to provide one hundred thirty-five thousand nine hundred eighty-seven dollars and fifty cents (\$135,987.50) of Illinois EPA Section 319 funds to the RECIPIENT for the Charles Brown Park Wetland Detention and Forebays Project (**PROJECT**) as a reimbursement of PROJECT costs. Reimbursement will be provided following:

- submission of a landowner agreement (this Agreement) for the PROJECT, Illinois EPA “Estimated Best Management Practice (BMP) Application Form”, a 10-year operation and maintenance plan, and approval of the PROJECT design and specifications;
- successful implementation of the PROJECT in conformance with the approved design plan and specifications; submission of a final PROJECT report including photo documentation and the Installed Best Management Practices (BMP) Form; and receipt of vouchers or other evidence of expenditure of funds or evidence of in-kind services as agreed upon in the 319 Grant proposal and budget, or in a revised budget or schedule accepted by both parties to this Agreement and the Illinois EPA.

The Scope of Work is described below and in Attachment A and the PROJECT Budget in Attachment B. Reimbursement shall be made upon receipt and approval of the grant documentation required by the Illinois EPA Financial Assistance Agreement in accordance with the PROJECT schedule (Attachment C). The RECIPIENT shall provide, at minimum, the match amount of one hundred forty thousand three hundred eighty-seven dollars and fifty cents (\$140,387.50) or no less than fifty-one percent (51%) of the total PROJECT cost in matching funds of cash or approved in-kind services or materials. The PROJECT replaces other work within a Section 319 grant, therefore the minimum percentage of match and match dollar value requirements indicated were set prior to inclusion of this PROJECT as a Section 319 grant project.

SCOPE OF WORK AND SCHEDULE OF COMPLETION

The Scope of Work is summarized below and is further described in the Recipient’s grant proposal, which is included as Attachment A. The Schedule for completion of the PROJECT including grant documentation and PROJECT implementation is included as Attachment C.

The RECIPIENT agrees to restore 9.9 acres of wetland detention, uplands, and 0.8 acres of sediment forebays in the Charles Brown Park detention basin. The PROJECT includes excavation of the sediment forebay areas, stabilization of the forebays, and seeding/blanketing of the wetland detention areas.

The RECIPIENT agrees to:

1. Design Specifications - The RECIPIENT shall prepare design plans and specifications (Design) for the construction of BMPs to reduce nonpoint source pollution. The Designs shall describe the implementation of 9.9 acres of wetland detention and 0.8 acres of sediment forebays in Charles Brown Park.

The BMPs shall be designed to filter runoff so as to remove suspended sediment, nutrients, and other suspended and soluble nonpoint source pollutants as well as reduce runoff volume and velocity while providing other beneficial hydrologic functions.

The Design shall identify the type and general locations of the BMPs listed above, and provide detailed information for their unit cost and quantity, location, design, maintenance, installation and construction, and materials used including plant species. The Design shall also include an estimate of pollutant removal efficiency calculated using the Illinois EPA's Estimating Pollutant Load Reductions for Nonpoint Source Pollution Control BMPs workbook. The Design shall meet the requirements of the current Illinois Urban Manual and the Native Plant Guide for Streams and Stormwater Facilities in Northeastern Illinois. The Design must be certified by a registered professional engineer or NRCS staff unless the RECIPIENT obtains a waiver of this certification requirement from the Illinois EPA. An electronic copy or two (2) paper copies of the draft Design and "Estimated BMP Application Form" shall be completed and submitted by the RECIPIENT SMC by January 31, 2019. An electronic copy or two (2) paper copies of the final Design and "Estimated BMP Application Form" shall be completed and submitted by the RECIPIENT to SMC by June 15, 2019.

2. Permits and Landowner Agreements - The RECIPIENT shall secure all necessary permits prior to the implementation of the Design developed under Item 1 of this Agreement. The RECIPIENT shall enter into appropriate legally binding arrangements to ensure that the BMPs are maintained as designed and that the operation and maintenance procedures are implemented for at least ten (10) years from the implementation of the BMPs. The RECIPIENT shall submit a copy of the permits and executed arrangements, if needed, to SMC by July 1, 2019.
3. Operation and Maintenance Plan - The RECIPIENT shall develop an Operation and Maintenance Plan (O & M Plan) for the BMPs implemented under Item 1 of this Agreement to ensure their long-term viability (at least ten years). The O & M Plan shall identify regular inspection needs and appropriate management activities such as sediment and debris removal, replacement of vegetation and hardware, chemical treatment, etc. The O & M Plan shall identify both coordinating (i.e., local governments) and participating (i.e., citizen groups, landowners) parties to carry out inspection and management needs and the financial resources necessary for implementation of the O & M Plan. A draft of the O & M Plan shall be completed and submitted by the RECIPIENT to SMC by January 31, 2019. The final O & M Plan shall all be completed and submitted by the RECIPIENT to SMC by June 15, 2019.
4. Design Implementation - The RECIPIENT shall implement the Illinois EPA approved Design developed under Item 1 of this Agreement. Note: Design implementation may not begin prior to the delivery and approval of SMC and Illinois EPA of the following documentation: design specifications including the pollutant load reduction worksheet, Estimated BMP application form, permits, landowner agreement, and the 10-year O & M Plan. The RECIPIENT, or its Assigns, **will notify SMC prior to the start of construction and will participate in a pre-construction meeting** including any required permitting agencies and the SMC project manager and environmental inspector.

Construction and implementation of the Design developed in accordance with Item 1 of this Agreement must begin by October 15, 2019. In the event that construction and implementation of the Design developed in accordance with Item 1 of this Agreement has not begun by October 15, 2019, the RECIPIENT shall immediately discontinue all work on the PROJECT, unless an extension is requested by the RECIPIENT, and approved by the Illinois EPA prior to October 1, 2019. SMC must receive an extension request no later than **September 15, 2019** in order to meet the firm October 1, 2019 extension approval deadline for start of implementation. In the event of such a discontinuation of work, no costs incurred in association with the PROJECT will be eligible for reimbursement by the Illinois EPA.

The RECIPIENT shall complete the installation and construction of the BMPs by December 31, 2019. Photographic documentation of Design implementation shall be completed and submitted by the RECIPIENT to SMC by December 31, 2019.

5. Signage - The RECIPIENT shall erect one or more "Work in Progress" sign(s), provided by SMC, **prior to the start of design implementation**. The sign(s) shall remain in place throughout the installation of the BMP(s) and for a period thereafter as mutually agreed upon by the RECIPIENT, SMC and the Illinois EPA.
6. PROJECT Evaluation and Report - A final report is required and shall consist of: an introduction; PROJECT description including pre and post conditions, type and location of practices, methods of practice installation; a summary of the units of BMPs installed; PROJECT evaluation/benefits including but not limited to improvements in water quality, urban stormwater runoff control, habitat improvement and erosion control; operation and maintenance strategy description; a PROJECT cost summary; the PROJECT tasks and a summary of PROJECT findings including the cost-effectiveness of the selected practices in relationship to alternative management strategies; and lessons learned during the installation of the PROJECT. Attachments to the final report will include a location map; the approved as-built plan and specifications; the post-implementation BMP application form; the pollutant load reduction worksheet; photographic documentation; copies of all required permits; and invoices and/or cost documentation for all PROJECT work including in-kind work and materials. SMC will provide the RECIPIENT with a template for the final report, and will provide the RECIPIENT assistance in completing the final report if needed.

An electronic copy of the draft final report shall be completed and submitted by the RECIPIENT to SMC on or before **December 15, 2019** for review and approval by SMC and Illinois EPA. The final report, including invoices and cost documentation, shall be completed and submitted by the RECIPIENT to SMC on or before **December 31, 2019** for submission to Illinois EPA.

7. PROJECT Coordination – The RECIPIENT shall be available for PROJECT coordination and progress briefings. The dates and locations of these briefings will be specified by SMC in consultation with the RECIPIENT during the course of the PROJECT. The RECIPIENT will provide SMC with a brief quarterly progress report via electronic mail or by telephone by the 1st of January, April, July and October throughout the Agreement period.

COMPENSATION

Upon successful completion of the PROJECT and Illinois EPA approval of the Final PROJECT Report, Illinois EPA Section 319 program funding shall reimburse up to a NOT TO EXCEED value, one hundred thirty-five thousand nine hundred eighty-seven dollars and fifty cents (\$135,987.50). If RECIPIENT PROJECT total cost (Attachment B) value does not meet or exceed a minimum of one hundred forty thousand three hundred eighty-seven dollars and fifty cents (\$140,387.50), funding shall reimburse up to forty nine percent (49%) of the total PROJECT cost. Reimbursement will be made for costs incurred during the successful completion of tasks in the Scope of Work and the approved PROJECT proposal (Attachment A) in accordance with the PROJECT Budget (Attachment B) and within the time period outlined in the PROJECT Schedule (Attachment C). Reimbursement is subject to the RECIPIENT's adherence to the terms and conditions of this Agreement including the Special Conditions (Attachment D) and the Illinois EPA Organization Certifications and Grant Conditions (Attachment E).

The RECIPIENT shall provide at least fifty-one percent (51%) of the total PROJECT cost, at a minimum of one hundred forty thousand three hundred eighty-seven dollars and fifty cents (\$140,387.50), as cash and in-kind cost-share match for costs incurred during the completion of the tasks as defined in the Scope of Work and PROJECT proposal and within the time period as defined in the PROJECT Schedule.

The RECIPIENT shall provide dated vendor invoices for all cash expenditures and cost documentation for all in-kind services and materials to SMC on or before **December 31, 2019** for review, approval and submission to Illinois EPA

for reimbursement. Reimbursement will be made upon Illinois EPA approval of the Final PROJECT Evaluation and Report.

TERMS AND CONDITIONS

1. All products produced, and work performed by the RECIPIENT under this Agreement shall be subject to the review and approval of the Illinois EPA to determine eligibility and acceptability in meeting the terms and intent of this Agreement.
2. SMC reserves the right to conduct periodic inspections of the PROJECT to verify the existence and condition of installed BMPs and that monitoring, and maintenance are being completed as specified in the O & M plan throughout the granting period and the following ten (10) year operation and maintenance period.
3. All grant documentation shall be submitted and approved by SMC and Illinois EPA in accordance with the SCOPE OF WORK AND SCHEDULE OF COMPLETION in order to be eligible for grant reimbursement.
4. The RECIPIENT shall take no action to remove, alter or modify the BMPs for a period of ten (10) years after the date of completion of construction of the BMP, unless prior written authorization is obtained from SMC, and the Illinois EPA.
5. The RECIPIENT shall refund to SMC (or to the Illinois EPA if the Illinois EPA Agreement or its Amendments has expired or been terminated) the entire amount of the 319 Grant funds received if a BMP PROJECT is not properly maintained in accordance with this Agreement, or if any unauthorized removal, alteration or modification of a BMP occurs within the ten (10) year period following the PROJECT's completion.
6. The RECIPIENT shall notify in writing any prospective purchaser or assignee of said property(-ies) herein described, and provide a copy of the notice to SMC, of the obligations and responsibilities agreed to by the RECIPIENT before legal or equitable title to any portion of said property is transferred. Written authorization from SMC shall be required, and shall not be unreasonably withheld, as well as execution of a separate agreement with the prospective purchaser or assignee to continue to operate and maintain the BMP for the remainder of the original ten (10) year O & M period. In the event an agreement cannot be reached with the prospective purchaser or assignee, the undersigned shall refund to SMC or Illinois EPA, the entire amount of the 319 Grant funds received.
7. The RECIPIENT shall refund to SMC all 319 Grant funds received under this Agreement (or to the Illinois EPA if the Illinois EPA Grant Agreement or its Amendments has expired or been terminated) in the event that this Agreement is cancelled, or in the event that property subject to this Agreement is transferred without the new party assuming all obligations of said Agreement.
8. SMC authorization and financial support for this PROJECT is conditioned on the RECIPIENT's compliance with all applicable federal, state and local statutes and regulations, and SMC's receipt of funds from the Illinois EPA.
9. All of the above provisions, including the refund provisions, also shall apply to funds, if any, that are provided for BMP design or implementation to the Recipient by the SMC.
10. All adjustments, additions and/or deletions to this Agreement and/or the approved design plans are subject to the written approval of SMC.
11. All adjustments, amendments, additions and/or deletions to the approved design plans are subject to the written approval of the Illinois EPA.
12. The RECIPIENT, SMC and the Illinois EPA retain the right to cite, quote, circulate, and reprint all documents and other materials produced under this Agreement. The RECIPIENT will include in any publications for external general circulation (including all press releases, brochures, newsletters, and presentations materials) the following phrase: "Funding for this PROJECT provided, in part, by the Illinois Environmental Protection Agency through Section 319 of the Clean Water Act."
13. This Agreement shall be governed by and construed according to the laws of the State of Illinois.
14. This Agreement supersedes any and all other agreements, oral or written, between the parties hereto with respect to the subject matter hereof.

Correspondence related to the PROJECT covered by this Agreement should reference the PROJECT number **SMC-WDP-18-247** and be directed as follows:

RECIPIENT contact:

Paul Kendzior, Director of Public Works
Village of Libertyville
200 East Cook Avenue
Libertyville, IL 60048
Phone: 847-918-2016
Email: pkendzior@libertyville.com

SMC contact:

Ernesto Huaracha, Project Manager
Lake County Stormwater Management Commission
500 W. Winchester Road
Libertyville, IL 60048
Phone: 847-377-7715
Email: ehuaracha@lakecountyil.gov

SMC and the RECIPIENT (or their successors, agents, assignees or transferees) agree with the terms and conditions of this agreement (**Agreement**), which includes the requirements in the Illinois Environmental Protection Agency Financial Assistance Agreement No. **3191715 (Illinois EPA Agreement)**. The RECIPIENT acknowledges that it has been advised of the requirements imposed on it by Federal and State laws and regulations, and the provisions of the Illinois EPA Agreement, as described above and in Attachment E, Article XVII, Section 17.2.

Ms. Kelly Amidei, Village Administrator
Village of Libertyville

Date

Michael Warner, Executive Director
Lake County Stormwater Management Commission

Date

Attachment A: Scope of Work

Approved Project Proposal Charles Brown Park Wetland Detention and Sediment Forebays Project

See the attached approved project proposal.

Lake County Watershed BMP Implementation Program

Village of Libertyville – Charles Brown Detention Basin Enhancements

1. Project Title

Charles Brown Park Detention Basin Enhancements

2. Project Applicant

Village of Libertyville

3. Project Contact

Mr. Paul Kendzior, Public Works Director
Village of Libertyville
200 East Cook Avenue
Libertyville, IL 60048

4. Project Coordinator

Mr. Paul Kendzior, Public Works Director, Village of Libertyville

5. Project Location Map

The project is located in Charles Brown Park. Two maps are attached identifying project location and proposed BMPs.

6. Project Narrative

The Charles Brown Park detention basin, when originally constructed, was not designed as a Best Management Practice (BMP) to meet water quality improvement goals, and it only served a drainage function. The Village seeks to complete a full restoration project to retrofit the basin as a BMP. Site conditions are of extremely poor quality with degraded and deteriorated areas. The project will involve retrofitting the detention basin as 10.7 acres of wetland area featuring woodland upland prairie (2.5 acres), wet prairie (2.6 acres) and aquatic/emergent vegetation (4.8 acres). Two sediment forebays will be constructed at inlet points to ‘capture’ sediments and particulate pollutants. The new wetland basin will provide significant water quality benefits.

Water from the detention basin directly discharges to Seavey Ditch and then to the north end of Lake Charles. Lake Charles is identified as an impaired water body on the Illinois Environmental Protection Agency’s 2018 303(d) list for Total Suspended Solids (TSS), Total Phosphorous (TP) and Aquatic Plants (Macrophytes). Based on load estimation calculations, the project will significantly reduce pollutant loads and improve water quality conditions for Lake Charles. Other close downstream lakes listed for TSS, TP and Aquatic Plants that will benefit from the project are Big Bear and Little Bear Lakes. Additional impaired streams on the 303(d) list that also benefit from this project are Indian Creek (IL_GU-02) and the Des Plaines River (IL_G-36). Lake Charles is an online lake between Seavey Ditch. Seavey Ditch continues to flow from the south end of Lake Charles to Indian Creek which joins the Des Plaines River a little over 5 miles south of the project site. Estimated load reductions for TSS, TP and Biochemical Oxygen Demand (BOD), some of the causes of impairments in the 303(d) list, are listed on page 2.

The BMPs installed for this project are referenced in the Indian Creek Watershed-Based Plan which specifies the need for detention basin retrofits and redesign as a way to manage

impairments and improvement water quality. Charles Brown Park is also identified as a high priority site for wetland restoration and is listed as a recommendation in Libertyville's Site-Specific Action table in the Plan.

7. Photographs

Photographs of the site are attached.

8. BMP Summary Table

BMP Type	Number of Sites	Total Number of BMP(s) Installed	Total Units of BMP(s) Installed	Nonpoint Sources of Pollution Addressed	Watershed-Based Plan Reference
Wetland Detention Basin including wetland restoration and settling basin	1	1	10.7 acres	Urban runoff/Stormwater	Indian Creek WBP, pp. 159-62; 221, 244

9. Property Owner

Village of Libertyville
 200 East Cook Avenue
 Libertyville, IL 60048
 Contact: Mr. Paul Kendzior, Public Works Director

10. Estimated Pollutant Load Reductions

Settling Basin

Estimated Load and Load Reductions			
	Load before BMP (lbs/yr)	Load after BMP (lbs/yr)	Load Reduction (lbs/yr)
Biochemical Oxygen Demand	15,885	6,989	8,896
Total Suspended Solids	432,656	80,041	352,615
Total Phosphorous	554	269	285

Wetland Detention/Restoration

Estimated Load and Load Reductions			
	Load before BMP (lbs/yr)	Load after BMP (lbs/yr)	Load Reduction (lbs/yr)
Biochemical Oxygen Demand	15,885	5,877	10,008
Chemical Oxygen Demand	158,260	79,130	79,130
Total Suspended Solids	432,656	97,348	335,308
Lead	366	128	238
Zinc	627	407	219
Total Nitrogen	4,030	3,224	806
Total Phosphorous	554	310	244

11. Illinois Integrated Water Quality Report Table

Waterbody Name	Assessment Unit ID	10-Digit HUC	Water Size	Use Attainment	Causes of Impairment	Sources of Impairment
Lake Charles	IL_RGZJ	0712000405	42	Aesthetic Quality (Not Supporting)	TSS, TP, Aquatic Plants	Source Unknown
Big Bear	IL_WGZU	0712000405	25	Aesthetic Quality, Aquatic Life	TSS, TP, Aquatic Plants	Source Unknown
Little Bear	IL_WGZV	0712000405	26	Aesthetic Quality	TSS, TP, Aquatic Plants	Source Unknown
Indian Creek	IL_GU-02	0712000405	11.32	Aquatic Life	Dissolved Oxygen	Source Unknown
Des Plaines River	IL_G-36	0712000405	7.22	Aquatic Life, Fish Consumption, Primary Contact Recreation	TP, Mercury, Polychlorinated biphenyls, Fecal Coliform	Impacts from Hydrostructure Flow, Dam or Impoundment, Municipal Point Source Discharges, Atmospheric Deposition-Toxics, Source Unknown, Urban Runoff/Storm Sewers

12. Scope of Work

Task	Responsible Entity	Description
Design & Engineering	Consultant	Prepare final design plans showing the BMPs in plan, profile, and cross-section view, with adequate detail to allow the plan set to be used for permitting and approval and bidding.
Permitting	Consultant	Prepare and submit the applications necessary to obtain Lake County, Illinois Department of Natural Resources, Illinois Environmental Protection Agency and U.S. Army Corps of Engineer permits.
Bidding & Contract Award	Village of Libertyville	Prepare construction contract documents for the project including an advertisement for bids, bidder instructions, bid form, and agreement, solicit and evaluate bids, and award the construction contract.
Construction	Contractor	Construct the project in accordance with the final plans and specifications.
Construction Administration	Village of Libertyville	Administer the construction contract, observe, in general, if the contractor's work is in conformity with the final design plans, and monitor the contractor's progress.
Project Closeout	Village of Libertyville	Complete all grant closeout requirements as required.

Attachment B: PROJECT Budget

Project Budget Table					
Item Description	Units	Unit Cost	Total Cost	Grant Funding Requested	Local Match
Design & Engineering	1 LS	\$41,157	\$41,157	\$0	\$41,157
Permitting	1 LS	\$20,578	\$20,578	\$0	\$20,578
Construction of Wetland Basin & Forebays	10.7 Acres	\$76,928	\$823,140	\$135,987.50	\$687,152.50
Construction Engineering	1 LS	\$57,620	\$57,620	\$0	\$57,620
Totals			\$942,495	\$135,987.50	\$806,507.50

Attachment C: PROJECT Schedule

Task / Project Element	Completion Date
Project Coordination “Kick-off” Meeting	January 31, 2019
Quarterly Work Progress Updates	January 1, April 1, July 1, October 1, 2019
Draft Design and Estimated BMP Application Form	January 31, 2019
Final Design Specifications and Estimated BMP Application Form	June 15, 2019
Permits and Landowner Agreement	July 1, 2019
Draft O & M Plan	January 31, 2019
Final O & M Plan	June 15, 2019
Design Implementation Extension Request to SMC (if needed)	September 15, 2019
Design Implementation Extension Request to IEPA (if needed)	October 1, 2019
Final Day to begin Design Implementation	October 15, 2019
Design Implementation	December 31, 2019
Photographic Documentation of Construction	December 31, 2019
Draft Project Report	December 15, 2019
Final Project Report	December 31, 2019
10-Year Operations and Maintenance	Through December 31, 2029

Attachment D: Special Conditions

The RECIPIENT understands that no construction/installation work completed before the submittal and approval by SMC and Illinois EPA of the design and construction plans, O & M plan, Estimated BMP application form and landowner agreement is reimbursable by the grant.

Construction and implementation of the Design developed in accordance with Item 1 of this Agreement must begin by October 15, 2019. In the event that construction and implementation of the Design developed in accordance with Item 1 of this Agreement has not begun by October 15, 2019, the RECIPIENT shall immediately discontinue all work on the PROJECT unless an extension is requested by the RECIPIENT and approved by the Illinois EPA prior to **September 15, 2019**. In the event of such a discontinuation of work, no costs incurred in association with the PROJECT will be eligible for reimbursement by the Illinois EPA.

Ms. Kelly Amidei, Village Administrator
Village of Libertyville
(RECIPIENT)

Date

Michael Warner, Executive Director
Lake County Stormwater Management Commission
(SMC)

Date

**Attachment E: Certifications and Grant Conditions for Clean Water Act Section 319(h)
Financial Assistance Agreements Illinois Environmental Protection Agency**

See attached Illinois EPA Certifications and Conditions.

**ARTICLE II
REQUIRED REPRESENTATIONS**

2.1. Standing and Authority. Grantee warrants that:

(a) Grantee is duly organized, validly existing and in good standing under the laws of the State in which it was incorporated or organized.

(b) Grantee has the requisite power and authority to execute and deliver this Agreement and all documents to be executed by it in connection with this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby.

(c) If Grantee is organized under the laws of another jurisdiction, Grantee warrants that it is also duly qualified to do business in Illinois and, if applicable, is in good standing with the Illinois Secretary of State.

(d) The execution and delivery of this Agreement, and the other documents to be executed by Grantee in connection with this Agreement, and the performance by Grantee of its obligations hereunder have been duly authorized by all necessary entity action.

(e) This Agreement and all other documents related to this Agreement, including the Uniform Grant Application, the Exhibits and attachments to which Grantee is a party constitute the legal, valid and binding obligations of Grantee enforceable against Grantee in accordance with their respective terms.

2.2. Compliance with Internal Revenue Code. Grantee certifies that it does and will comply with all provisions of the Federal Internal Revenue Code (26 USC 1), the Illinois Revenue Act (35 ILCS 5), and all rules promulgated thereunder, including withholding provisions and timely deposits of employee taxes and unemployment insurance taxes.

2.3. Compliance with Federal Funding Accountability and Transparency Act of 2006. Grantee certifies that it does and will comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282) (FFATA) with respect to Federal Awards greater than or equal to \$25,000. A FFATA sub-award report must be filed by the end of the month following the month in which the award was made.

2.4. Compliance with Uniform Grant Rules (2 CFR Part 200). Grantee certifies that it shall adhere to the applicable Uniform Administrative Requirements, Cost Principles, and Audit Requirements, which are published in Title 2, Part 200 of the Code of Federal Regulations, and are incorporated herein by reference. See 44 III. Admin. Code 7000.30(b)(1)(A).

2.5. Compliance with Registration Requirements. Grantee and its sub-grantees shall: (i) be registered with the Federal SAM; (ii) be in good standing with the Illinois Secretary of State, if applicable; and (iii) have a valid DUNS number. It is Grantee's responsibility to remain current with these registrations and requirements. If Grantee's status with regard to any of these requirements change, or the certifications made in and information provided in the Uniform Grant Application changes, Grantee must notify the Grantor in accordance with ARTICLE XVIII.

**ARTICLE III
DEFINITIONS**

3.1. Definitions. Capitalized words and phrases used in this Agreement have the following meanings:

"2 CFR Part 200" means the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards published in Title 2, Part 200 of the Code of Federal Regulations.

"Agreement" or "Grant Agreement" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Allocable Costs" means costs allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received or other equitable relationship. Costs allocable to a specific Program may not be shifted to other Programs in order to meet deficiencies caused by overruns or other fund considerations, to avoid restrictions imposed by law or by the terms of this Agreement, or for other reasons of convenience.

"Allowable Costs" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Award" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Budget" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"CFDA" or "Catalog of Federal Domestic Assistance" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Close-out Report" means a report from the Grantee allowing the Grantor to determine whether all applicable administrative actions and required work have been completed, and therefore closeout actions can commence.

"Conflict of Interest" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Consolidated Financial Report" means a financial information presentation in which the assets, equity, liabilities, and operating accounts of an entity and its subsidiaries are combined (after eliminating all inter-entity transactions) and shown as belonging to a single reporting entity.

"Cost Allocation Plan" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"CSFA" or "Catalog of State Financial Assistance" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Direct Costs" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Disallowed Costs" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"DUNS Number" means a unique nine digit identification number provided by Dun & Bradstreet for each physical location of Grantee's organization. Assignment of a DUNS Number is mandatory for all organizations seeking an Award from the State of Illinois.

"FAIN" means the Federal Award Identification Number.

"FFATA" or "Federal Funding Accountability and Transparency Act" has the same meaning as in 31 USC 6101; P.L. 110-252.

"Fixed-Rate" has the same meaning as in 44 Ill. Admin. Code 7000.20. "Fixed-Rate" is in contrast to fee-for-service, 44 Ill. Admin. Code 7000.20.

"GAAP" or "Generally Accepted Accounting Principles" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Grant Funds" has the same meaning as in 30 ILCS 705.

"Indirect Costs" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Indirect Cost Rate" means a device for determining in a reasonable manner the proportion of indirect costs each Program should bear. It is a ratio (expressed as a percentage) of the Indirect Costs to a Direct Cost base. If reimbursement of Indirect Costs is allowable under an Award, Grantor will not reimburse those Indirect Costs unless Grantee has established an Indirect Cost Rate covering the applicable activities and period of time, unless Indirect Costs are reimbursed at a fixed rate.

"Indirect Cost Rate Proposal" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Net Revenue" means an entity's total revenue less its operating expenses, interest paid, depreciation, and taxes. "Net Revenue" is synonymous with "Profit."

"Nonprofit Organization" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Notice of Award" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"OMB" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Prior Approval" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Profit" means an entity's total revenue less its operating expenses, interest paid, depreciation, and taxes. "Profit" is synonymous with "Net Revenue."

"Program" means the services to be provided pursuant to this Agreement.

"Program Costs" means all Allowable Costs incurred by Grantee and the value of the contributions made by third parties in accomplishing the objectives of the Award during the Term of this Agreement.

"Program Income" has the same meaning as in 44 Ill. Admin. Code 7000.20.

"Related Parties" has the meaning set forth in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 850-10-20.

"SAM" means the federal System for Award Management (SAM); which is the Federal repository into which an entity must provide information required for the conduct of business as a recipient. 2 CFR 25 Appendix A (1)(C)(1).

"State" means the State of Illinois.

"Term" has the meaning set forth in Paragraph 1.4.

"Unallowable Costs" has the same meaning as in 44 Ill. Admin. Code 7000.20.

ARTICLE IV PAYMENT

4.1. Availability of Appropriation; Sufficiency of Funds. This Agreement is contingent upon and subject to the availability of sufficient funds. Grantor may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if (i) sufficient funds for this Agreement have not been appropriated or otherwise made available to the Grantor by the State or the Federal funding source, (ii) the Governor or Grantor reserves funds, or (iii) the Governor or Grantor determines that funds will not or may not be available for payment. Grantor shall provide notice, in writing, to Grantee of any such funding failure and its election to terminate or suspend this Agreement as soon as practicable. Any suspension or termination pursuant to this Section will be effective upon the date of the written notice unless otherwise indicated.

4.2. Illinois Grant Funds Recovery Act. Any Grant Funds remaining that are not expended or legally obligated by Grantee at the end of the Agreement period, or in the case of capital improvement Awards at the end of the time period Grant Funds are available for expenditure or obligation, shall be returned to Grantor within forty-five (45) days in accordance with the Grant Funds Recovery Act (30 ILCS 705/1 *et seq.*). In the event of a conflict between the Grant Funds Recovery Act and the Grant Accountability and Transparency Act, the provisions of the Grant Accountability and Transparency Act shall control. 30 ILCS 708/80.

4.3. Cash Management Improvement Act of 1990. Unless notified otherwise in **PART TWO** or **PART THREE**, Federal funds received under this Agreement shall be managed in accordance with the Cash Management Improvement Act of 1990 (31 USC 6501 *et seq.*) and any other applicable Federal laws or regulations.

4.4. Payments to Third Parties. Grantee agrees to hold harmless Grantor when Grantor acts in good faith to redirect all or a portion of any Grantee payment to a third party. Grantor will be deemed to have acted in good faith if it is in possession of information that indicates Grantee authorized Grantor to intercept or redirect payments to a third party or when so ordered by a court of competent jurisdiction.

4.5. Modifications to Estimated Amount. If the Agreement amount is established on an estimated basis, then it may be increased by mutual agreement at any time during the Term. Grantor may decrease the estimated amount of this Agreement at any time during the Term if (i) Grantor believes Grantee will not use the funds during the Term, (ii) Grantor believes Grantee has used funds in a manner that was not authorized by this Agreement, (iii) sufficient funds for this Agreement have not been appropriated or otherwise made available to the Grantor by the State or the Federal funding source, (iv) the Governor or Grantor reserves funds, or (v) the Governor or Grantor determines that funds will or may not be available for payment. Grantee will be notified, in writing, of any adjustment of the estimated amount of this Agreement. In the event of such reduction, services provided by Grantee under **Exhibit A** may be reduced accordingly. Grantee shall be paid for work satisfactorily performed prior to the date of the notice regarding adjustment. 2 CFR 200.308.

4.6. Interest.

(a) All interest earned on Grant Funds held by a Grantee shall become part of the Grant

Funds when earned and be treated accordingly for all purposes, unless otherwise provided in **PART TWO** or **PART THREE**. 30 ILCS 705/10.

(b) Grant Funds shall be placed in an insured account, whenever possible, that bears interest, unless exempted under 2 CFR Part 200.305(b)(8). All interest earned shall be considered Grant Funds and are subject to the same restrictions, unless there is an applicable Federal program rule that takes precedence.

(c) A Grantee who is required to reimburse Grant Funds pursuant to an action brought under the Grant Funds Recovery Act, and who enters into a deferred payment plan for the purpose of satisfying a past due debt, shall be required to pay interest on such debt as required by Section 10.2 of the Illinois State Collection Act of 1986, 30 ILCS 210; *See also* 30 ILCS 705/10.

4.7. **Timely Billing Required.** Grantee must submit any payment request to Grantor within thirty (30) days of the end of the quarter, unless another billing schedule is specified in **PART TWO** or **PART THREE**. Failure to submit such payment request timely will render the amounts billed an unallowable cost which Grantor cannot reimburse. In the event that Grantee is unable, for good cause, to submit its payment request timely, Grantee shall timely notify Grantor and may request an extension of time to submit the payment request. Grantor's approval of Grantee's request for an extension shall not be unreasonably withheld.

4.8. **Certification.** Pursuant to 2 CFR 200.415, each invoice and report submitted by Grantee must contain the following certification by an official authorized to legally bind the Grantee:

By signing this report [or payment request], I certify to the best of my knowledge and belief that the report [or payment request] 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 Federal or State 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. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

ARTICLE V SCOPE OF GRANT ACTIVITIES/PURPOSE OF GRANT

5.1. **Scope of Grant Activities/Purpose of Grant.** Grantee will conduct the Grant Activities or provide the services as described in the Exhibits and attachments, including **Exhibit A** (Project Description) and **Exhibit B** (Deliverables), incorporated herein and in accordance with all terms and conditions set forth herein and all applicable administrative rules. In addition, the State's Notice of Award is incorporated herein as an attachment. All Grantor-specific provisions and programmatic reporting required under this Agreement are described in **PART TWO** (The Grantor-Specific Terms). All Project-specific provisions and reporting required under this Agreement are described in **PART THREE**.

5.2. **Scope Revisions.** Grantee shall obtain Prior Approval from Grantor whenever a Scope revision is necessary for one or more of the reasons enumerated in 2 CFR 200.308. All requests for Scope revisions that require Grantor approval shall be signed by Grantee's authorized representative and submitted to Grantor for approval. Expenditure of funds under a requested revision is prohibited and will not be reimbursed if expended

before Grantor gives written approval. See 2 CFR 200.308.

5.3. Specific Conditions. If applicable, specific conditions required after a risk assessment will be included in Exhibit G. Grantee shall adhere to the specific conditions listed therein.

ARTICLE VI BUDGET

6.1. Budget. The Budget is a schedule of anticipated grant expenditures that is approved by Grantor for carrying out the purposes of the Award. When Grantee or third parties support a portion of expenses associated with the Award, the Budget includes the non-Federal as well as the Federal share (and State share if applicable) of grant expenses. The Budget submitted by Grantee at application, or a revised Budget subsequently submitted and approved by Grantor, is considered final and is incorporated herein as an attachment.

6.2. Budget Revisions. Grantee shall obtain Prior Approval from Grantor whenever a Budget revision is necessary for one or more of the reasons enumerated in 2 CFR 200.308. All requests for Budget revisions that require Grantor approval shall be signed by Grantee's authorized representative and submitted to Grantor for approval. Expenditure of funds under a requested revision is prohibited and will not be reimbursed if expended before Grantor gives written approval. 2 CFR 200.308.

6.3. Discretionary Line Item Transfers. Unless prohibited from doing so in 2 CFR 200.308, transfers between approved line items may be made without Grantor's approval only if the total amount transferred does not exceed the allowable variance of the greater of either (i) ten percent (10%) of the Budget line item or (ii) one thousand dollars (\$1,000) of the Budget line item. Discretionary line item transfers may not result in an increase to the Budget.

6.4. Non-discretionary Line Item Transfers. Total line item transfers exceeding the allowable variance of the greater of either (i) ten percent (10%) of the Budget line item or (ii) one thousand dollars (\$1,000) of the Budget line item require Grantor approval as set forth in Paragraph 6.2.

6.5. Notification. Within thirty (30) calendar days from the date of receipt of the request for Budget revisions, Grantor will review the request and notify Grantee whether the Budget revision has been approved, denied, or the date upon which a decision will be reached.

ARTICLE VII ALLOWABLE COSTS

7.1. Allowability of Costs; Cost Allocation Methods. The allowability of costs and cost allocation methods for work performed under this Agreement shall be determined in accordance with 2 CFR 200 Subpart E and Appendices III, IV, and V.

7.2. Indirect Cost Rate Submission.

(a) This Paragraph 7.2 applies only to:

- (i) A Grantee who charges, or expects to charge, any Indirect Costs; and
- (ii) A Grantee who is allowed to charge Indirect Costs under federal or state

statutes, state administrative rules, and agency or program rules, regulations and policies.

(b) A Grantee must submit an Indirect Cost Rate Proposal in accordance with federal regulations for approval no later than three months after the effective date of the Award, in a format prescribed by Grantor.

(c) A Grantee who has a current, applicable rate negotiated by a cognizant Federal agency shall provide to Grantor a copy of its Indirect Cost Rate acceptance letter from the Federal government. Grantor will accept that Indirect Cost Rate, up to any statutory, rule-based or programmatic limit.

7.3. Transfer of Costs. Cost transfers between Grants, whether as a means to compensate for cost overruns or for other reasons, are unallowable. See 2 CFR 200.451.

7.4. Higher Education Cost Principles. The Federal cost principles that apply to public and private institutions of higher education are set forth in 2 CFR Part 200 Subpart E and Appendix III.

7.5. Nonprofit Organizations Cost Principles. The Federal cost principles that apply to Nonprofit Organizations that are not institutions of higher education are set forth in 2 CFR Part 200 Subpart E, unless exempt under 2 CFR 200 Appendix VIII.

7.6. Government Cost Principles. The Federal cost principles that apply to State, local and Federally-recognized Indian tribal governments are set forth in 2 CFR Part 200 Subpart E, Appendix V, and Appendix VII.

7.7. Commercial Organization Cost Principles. The Federal cost principles and procedures for cost analysis and the determination, negotiation and allowance of costs that apply to commercial organizations are set forth in 48 CFR Part 31.

7.8. Financial Management Standards. The financial management systems of Grantee must meet the following standards:

(a) **Accounting System.** Grantee organizations must have an accounting system that provides accurate, current, and complete disclosure of all financial transactions related to each State- and Federally-funded Program. Accounting records must contain information pertaining to State and Federal pass-through awards, authorizations, obligations, unobligated balances, assets, outlays, and income. These records must be maintained on a current basis and balanced at least quarterly. Cash contributions to the Program from third parties must be accounted for in the general ledger with other Grant Funds. Third party in-kind (non-cash) contributions are not required to be recorded in the general ledger, but must be under accounting control, possibly through the use of a memorandum ledger. See 2 CFR 200.302.

(b) **Source Documentation.** Accounting records must be supported by such source documentation as canceled checks, bank statements, invoices, paid bills, donor letters, time and attendance records, activity reports, travel reports, contractual and consultant agreements, and subaward documentation. All supporting documentation should be clearly identified with the Award and general ledger accounts which are to be charged or credited.

(i) The documentation standards for salary charges to grants are prescribed by 2 CFR 200.430, and in the cost principles applicable to the entity's organization (Paragraphs 7.4 through 7.7).

(ii) If records do not meet the standards in 2 CFR 200.430, then Grantor may notify Grantee in **PART TWO, PART THREE** or **Exhibit G** of the requirement to submit Personnel activity reports. See 2 CFR 200.430(i)(8). Personnel activity reports shall account on an after-the-fact basis for one hundred percent (100%) of the employee's actual time, separately indicating the time spent on the grant, other grants or projects, vacation or sick leave, and administrative time, if applicable. The reports must be signed by the employee, approved by the appropriate official, and coincide with a pay period. These time records should be used to record the distribution of salary costs to the appropriate accounts no less frequently than quarterly.

(iii) Formal agreements with independent contractors, such as consultants, must include a description of the services to be performed, the period of performance, the fee and method of payment, an itemization of travel and other costs which are chargeable to the agreement, and the signatures of both the contractor and an appropriate official of Grantee.

(iv) If third party in-kind (non-cash) contributions are used for Grant purposes, the valuation of these contributions must be supported with adequate documentation.

(c) **Internal Control.** Effective control and accountability must be maintained for all cash, real and personal property, and other assets. Grantee must adequately safeguard all such property and must provide assurance that it is used solely for authorized purposes. Grantee must also have systems in place that provide reasonable assurance that the information is accurate, allowable, and compliant with the terms and conditions of this Agreement.

(d) **Budget Control.** Records of expenditures must be maintained for each Award by the cost categories of the approved Budget (including indirect costs that are charged to the Award), and actual expenditures are to be compared with Budgeted amounts at least quarterly.

(e) **Cash Management.** Requests for advance payment shall be limited to Grantee's immediate cash needs. Grantee must have written procedures to minimize the time elapsing between the receipt and the disbursement of Grant Funds to avoid having excess funds on hand. 2 CFR 200.305.

7.9. **Federal Requirements.** All Awards, whether funded in whole or in part with either Federal or State funds, are subject to Federal requirements and regulations, including but not limited to 2 CFR Part 200, 44 Ill. Admin. Code 7000.30(b) and the Financial Management Standards in Paragraph 7.8.

7.10. **Profits.** It is not permitted for any person or entity to earn a Profit from an Award. See, e.g., 2 CFR 200.400(g); see also 30 ILCS 708/60(a)(7).

7.11. **Management of Program Income.** Grantee is encouraged to earn income to defray program costs where appropriate, subject to 2 CFR 200.307.

ARTICLE VIII REQUIRED CERTIFICATIONS

8.1. **Certifications.** Grantee, its officers, and directors shall be responsible for compliance with the enumerated certifications to the extent that the certifications apply to Grantee.

(a) **Bribery.** Grantee certifies that it has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, nor made an admission of guilt of such conduct which is a matter of record (30 ILCS 500/50-5).

(b) **Bid Rigging.** Grantee certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Paragraph 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33E-3 or 720 ILCS 5/33E-4, respectively).

(c) **Debt to State.** Grantee certifies that neither it, nor its affiliate(s), is/are barred from receiving an Award because Grantee, or its affiliate(s), is/are delinquent in the payment of any debt to the State, unless Grantee, or its affiliate(s), has/have entered into a deferred payment plan to pay off the debt, and Grantee acknowledges Grantor may declare the Agreement void if the certification is false (30 ILCS 500/50-11).

(d) **Educational Loan.** Grantee certifies that it is not barred from receiving State agreements as a result of default on an educational loan (5 ILCS 385/1 *et seq.*).

(e) **International Boycott.** Grantee certifies that neither it nor any substantially owned affiliated company is participating or shall participate in an international boycott in violation of the provision of the U.S. Export Administration Act of 1979 (50 USC Appendix 2401 *et seq.* or the regulations of the U.S. Department of Commerce promulgated under that Act (15 CFR Parts 730 through 774).

(f) **Dues and Fees.** Grantee certifies that it is not prohibited from receiving an Award because it pays dues or fees on behalf of its employees or agents, or subsidizes or otherwise reimburses them for payment of their dues or fees to any club which unlawfully discriminates (775 ILCS 25/1 *et seq.*).

(g) **Pro-Children Act.** Grantee certifies that it is in compliance with the Pro-Children Act of 2001 in that it prohibits smoking in any portion of its facility used for the provision of health, day care, early childhood development services, education or library services to children under the age of eighteen (18), which services are supported by Federal or State government assistance (except such portions of the facilities which are used for inpatient substance abuse treatment) (20 USC 7181-7184).

(h) **Drug-Free Work Place.** If Grantee is not an individual, Grantee certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act. 30 ILCS 580/3. If Grantee is an individual and this Agreement is valued at more than \$5,000, Grantee certifies it shall not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during the performance of the Agreement. 30 ILCS 580/4. Grantee further certifies that it is in compliance with the government-wide requirements for a drug-free workplace as set forth in 41 USC 8102.

(i) **Motor Voter Law.** Grantee certifies that it is in full compliance with the terms and provisions of the National Voter Registration Act of 1993 (52 USC 20501 *et seq.*).

(j) **Clean Air Act and Clean Water Act.** Grantee certifies that it is in compliance with all applicable standards, order or regulations issued pursuant to the Clean Air Act (42 USC §7401 *et seq.*) and the Federal Water Pollution Control Act, as amended (33 USC §1251 *et seq.*).

(k) **Debarment.** Grantee certifies that it is not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any Federal department or agency (45 CFR Part 76), or by the State (See 30 ILCS 708/25(6)(G)).

(l) **Non-procurement Debarment and Suspension.** Grantee certifies that it is in compliance with Subpart C of 2 CFR Part 180 as supplemented by 2 CFR Part 376, Subpart C.

(m) **Grant for the Construction of Fixed Works.** Grantee certifies that all Programs for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 *et seq.*) unless the provisions of that Act exempt its application. In the construction of the Program, Grantee shall comply with the requirements of the Prevailing Wage Act including, but not limited to, inserting into all contracts for such construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the Program shall be paid to all laborers, workers, and mechanics performing work under the Award and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract.

(n) **Health Insurance Portability and Accountability Act.** Grantee certifies that it is in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law No. 104-191, 45 CFR Parts 160, 162 and 164, and the Social Security Act, 42 USC 1320d-2 through 1320d-7, in that it may not use or disclose protected health information other than as permitted or required by law and agrees to use appropriate safeguards to prevent use or disclosure of the protected health information. Grantee shall maintain, for a minimum of six (6) years, all protected health information.

(o) **Criminal Convictions.** Grantee certifies that neither it nor any officer, director, partner or other managerial agent of Grantee has been convicted of a felony under the Sarbanes-Oxley Act of 2002, nor a Class 3 or Class 2 felony under Illinois Securities Law of 1953, or that at least five (5) years have passed since the date of the conviction. Grantee further certifies that it is not barred from receiving an Award under 30 ILCS 500/50-10.5, and acknowledges that Grantor shall declare the Agreement void if this certification is false (30 ILCS 500/50-10.5).

(p) **Forced Labor Act.** Grantee certifies that it complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under this Agreement have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction (30 ILCS 583).

(q) **Illinois Use Tax.** Grantee certifies in accordance with 30 ILCS 500/50-12 that it is not barred from receiving an Award under this Paragraph. Grantee acknowledges that this Agreement may be declared void if this certification is false.

(r) **Environmental Protection Act Violations.** Grantee certifies in accordance with 30 ILCS 500/50-14 that it is not barred from receiving an Award under this Paragraph. Grantee acknowledges that this Agreement may be declared void if this certification is false.

(s) **Goods from Child Labor Act.** Grantee certifies that no foreign-made equipment, materials, or supplies furnished to the State under this Agreement have been produced in whole or in part by the labor of any child under the age of twelve (12) (30 ILCS 584).

(t) **Federal Funding Accountability and Transparency Act of 2006.** Grantee certifies that it is in compliance with the terms and requirements of 31 USC 6101.

**ARTICLE IX
CRIMINAL DISCLOSURE**

9.1. Mandatory Criminal Disclosures. Grantee shall continue to disclose to Grantor all violations of criminal law involving fraud, bribery or gratuity violations potentially affecting this Award. See 30 ILCS 708/40. Additionally, if Grantee receives over \$10 million in total Grant Funds, funded by either State or Federal funds, during the period of this Award, Grantee must maintain the currency of information reported to SAM regarding civil, criminal or administrative proceedings as required by 2 CFR 200.113 and Appendix II of 2 CFR Part 200, and 30 ILCS 708/40.

**ARTICLE X
UNLAWFUL DISCRIMINATION**

10.1. Compliance with Nondiscrimination Laws. Grantee, its employees and subcontractors under subcontract made pursuant to this Agreement, shall comply with all applicable provisions of State and Federal laws and regulations pertaining to nondiscrimination, sexual harassment and equal employment opportunity including, but not limited to, the following laws and regulations and all subsequent amendments thereto:

- (a) The Illinois Human Rights Act (775 ILCS 5/1-101 *et seq.*), including, without limitation, 44 Ill. Admin. Code Part 750, which is incorporated herein;
- (b) The Public Works Employment Discrimination Act (775 ILCS 10/1 *et seq.*);
- (c) The United States Civil Rights Act of 1964 (as amended) (42 USC 2000a- and 2000h-6). (*See also* guidelines to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons [Federal Register: February 18, 2002 (Volume 67, Number 13, Pages 2671-2685)]);
- (d) Section 504 of the Rehabilitation Act of 1973 (29 USC 794);
- (e) The Americans with Disabilities Act of 1990 (42 USC 12101 *et seq.*); and
- (f) The Age Discrimination Act (42 USC 6101 *et seq.*).

**ARTICLE XI
LOBBYING**

11.1. Improper Influence. Grantee certifies that no Grant Funds have been paid or will be paid by or on behalf of Grantee to any person for influencing or attempting to influence an officer or employee of any government agency, a member of Congress or Illinois General Assembly, an officer or employee of Congress or Illinois General Assembly, or an employee of a member of Congress or Illinois General Assembly in connection with the awarding of any agreement, the making of any grant, the making of any loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any agreement, grant, loan or cooperative agreement. 31 USC 1352. Additionally, Grantee certifies that it has filed the required certification under the Byrd Anti-Lobbying Amendment (31 USC 1352), if applicable.

11.2. Federal Form LLL. If any funds, other than Federally-appropriated funds, were paid or will be paid

to any person for influencing or attempting to influence any of the above persons in connection with this Agreement, the undersigned must also complete and submit Federal Form LLL, Disclosure of Lobbying Activities Form, in accordance with its instructions.

11.3. Lobbying Costs. Grantee certifies that it is in compliance with the restrictions on lobbying set forth in 2 CFR Part 200.450. For any Indirect Costs associated with this Agreement, total lobbying costs shall be separately identified in the Program Budget, and thereafter treated as other Unallowable Costs.

11.4. Procurement Lobbying. Grantee warrants and certifies that it and, to the best of its knowledge, its sub-grantees have complied and will comply with Executive Order No. 1 (2007) (EO 1-2007). EO 1-2007 generally prohibits Grantees and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments, if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

11.5. Subawards. Grantee must include the language of this ARTICLE XI in the award documents for any subawards made pursuant to this Award at all tiers. All sub-awardees are also subject to certification and disclosure. Pursuant to Appendix II(I) to 2 CFR Part 200, Grantee shall forward all disclosures by contractors regarding this certification to Grantor.

11.6. Certification. This certification is a material representation of fact upon which reliance was placed to enter into this transaction and is a prerequisite for this transaction, pursuant to 31 USC 1352. Any person who fails to file the required certifications shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

ARTICLE XII MAINTENANCE AND ACCESSIBILITY OF RECORDS; MONITORING

12.1. Records Retention. Grantee shall maintain for three (3) years from the date of submission of the final expenditure report, adequate books, all financial records and, supporting documents, statistical records, and all other records pertinent to this Award, adequate to comply with 2 CFR 200.333, unless a different retention period is specified in 2 CFR 200.333. If any litigation, claim or audit is started before the expiration of the retention period, the records must be retained until all litigation, claims or audit exceptions involving the records have been resolved and final action taken.

12.2. Accessibility of Records. Grantee, in compliance with 2 CFR 200.336, shall make books, records, related papers, supporting documentation and personnel relevant to this Agreement available to authorized Grantor representatives, the Illinois Auditor General, Illinois Attorney General, any Executive Inspector General, the Grantor's Inspector General, Federal authorities, any person identified in 2 CFR 200.336, and any other person as may be authorized by Grantor (including auditors), by the State of Illinois or by Federal statute. Grantee shall cooperate fully in any such audit or inquiry.

12.3. Failure to Maintain Books and Records. Failure to maintain books, records and supporting documentation, as described in this ARTICLE XII, shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records and supporting documentation are not available to support disbursement.

12.4. Monitoring and Access to Information. Grantee must monitor its activities to assure compliance with applicable State and Federal requirements and to assure its performance expectations are being achieved. Grantor shall monitor the activities of Grantee to assure compliance with all requirements and performance expectations of the award. Grantee shall timely submit all financial and performance reports, and shall supply, upon Grantor's request, documents and information relevant to the Award. Grantor may make site visits as warranted by program needs. See 2 CFR 200.328 and 200.331. Additional monitoring requirements may be in PART TWO or PART THREE.

ARTICLE XIII FINANCIAL REPORTING REQUIREMENTS

13.1. Required Periodic Financial Reports. Grantee agrees to submit financial reports as requested and in the format required by Grantor. Grantee shall file quarterly reports with Grantor describing the expenditure(s) of the funds related thereto, unless more frequent reporting is required by the Grantee pursuant to specific award conditions. 2 CFR 200.207. The first of such reports shall cover the first three months after the Award begins. Quarterly reports must be submitted no later than 30 calendar days following the three month period covered by the report. Additional information regarding required financial reports may be set forth in Exhibit G. Failure to submit the required financial reports may cause a delay or suspension of funding. 30 ILCS 705/1 *et seq.*; 2 CFR 207(b)(3) and 200.327.

13.2. Close-out Reports.

(a) Grantee shall submit a Close-out Report within 60 calendar days following the end of the period of performance for this Agreement. In the event that this Agreement is terminated prior to the end of the Term, Grantee shall submit a Close-out Report within 60 calendar days of such termination. The format of this Close-out Report shall follow a format prescribed by Grantor. 2 CFR 200.343.

(b) If an audit or review of Grantee occurs and results in adjustments after Grantee submits a Close-out Report, Grantee will submit a new Close-out Report based on audit adjustments, and immediately submit a refund to Grantor, if applicable. 2 CFR 200.344.

13.3. Annual Financial Reports.

(a) This Paragraph 13.3 applies to all Grantees, unless exempted by PART TWO or PART THREE.

(b) Grantees shall submit Annual Financial Reports within 180 days after the Grantee's fiscal year ending on or after June 30. This deadline may be extended at the discretion of the Grantor.

(c) The Annual Financial Report must cover the same period the Audited Financial Statements cover. If no Audited Financial Statements are required, however, then the Annual Financial Report must cover the same period as the Grantee's tax return.

(d) Annual Financial Reports must include an in relation to opinion from the report issuer on the Cost and Revenue schedules included in the Annual Financial Report.

(e) Annual Financial Reports shall follow a format prescribed by Grantor.

13.4. Effect of Failure to Comply. Failure to comply with reporting requirements shall result in the withholding of funds, the return of improper payments or Unallowable Costs, will be considered a material breach of this Agreement and may be the basis to recover Grant Funds. Grantee's failure to comply with this ARTICLE XIII, ARTICLE XIV, or **Error! Reference source not found.** shall be considered prima facie evidence of a breach and may be admitted as such, without further proof, into evidence in an administrative proceeding before Grantor, or in any other legal proceeding.

ARTICLE XIV PERFORMANCE REPORTING REQUIREMENTS

14.1. Required Periodic Performance Reports. Grantee agrees to submit Performance Reports as requested and in the format required by Grantor. Performance Measures listed in **Exhibit E** must be reported quarterly, unless otherwise specified in **PART TWO** or **PART THREE**. Unless so specified, the first of such reports shall cover the first three months after the Award begins. If Grantee is not required to report performance quarterly, then Grantee must submit a Performance Report at least annually. In unusual circumstances where more frequent reporting is necessary some Grantees may be required to submit monthly Performance Reports; in such cases, Grantor shall notify Grantee of same in **PART TWO** or **PART THREE**. Pursuant to 2 CFR 200.328, periodic Performance Reports shall be submitted no later than 30 calendar days following the period covered by the report. For certain construction-related Awards, such reports may be exempted as identified in **PART TWO** or **PART THREE**. 2 CFR 200.328. Failure to submit such required Performance Reports may cause a delay or suspension of funding. 30 ILCS 705/1 *et seq.*

14.2. Close-out Performance Reports. Grantee agrees to submit a Close-out Performance Report, in the format required by Grantor, within 60 calendar days following the end of the period of performance. See 2 CFR 200.343.

14.3. Content of Performance Reports. Pursuant to 2 CFR 200.328(b)(2) all Performance Reports must include Program qualitative and quantitative information, including a comparison of actual accomplishments to the objectives of the award established for the period; where the accomplishments can be quantified, a computation of the cost if required; performance trend data and analysis if required; and reasons why established goals were not met, if appropriate. Appendices may be used to include additional supportive documentation. Additional content and format guidelines for the Performance Reports will be determined by Grantor contingent on the Award's statutory, regulatory and administrative requirements, and are included in **PART TWO** or **PART THREE** of this Agreement.

14.4. Performance Standards. Grantee shall perform in accordance with the Performance Standards set forth in **Exhibit F**. See 2 CFR 200.301 and 200.210.

ARTICLE XV AUDIT REQUIREMENTS

15.1. Audits. Grantee shall be subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 USC 7501-7507) and Subpart F of 2 CFR Part 200, and the audit rules set forth by the Governor's Office of Management and Budget. See 30 ILCS 708/65(c).

15.2. Entities That Are Not "For-Profit".

(a) This Paragraph applies to Grantees that are not "for-profit" entities.

(b) Single and Program-Specific Audits. If, during its fiscal year, Grantee expends \$750,000 or more in Federal Awards (direct federal and federal pass-through awards combined), Grantee must have a single audit or program-specific audit conducted for that year as required by 2 CFR 200.501 and other applicable sections of Subpart F of 2 CFR Part 200. The audit and reporting package (including data collection form and management letters) must be completed as described in 2 CFR 200.512 (single audit) or 2 CFR 200.507 (program-specific audit). The audit (and package) must be submitted to Grantor within the earlier of (i) 30 calendar days after receipt of the auditor's report(s) or (ii) nine (9) months after the end of the audit period.

(c) Financial Statement Audit. If, during its fiscal year, Grantee expends less than \$750,000 in Federal Awards, Grantee is subject to the following audit requirements:

(i) If, during its fiscal year, Grantee expends more than \$300,000 in Federal and State Awards, singularly or in any combination, Grantee must have a financial statement audit conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS).

(ii) If, during its fiscal year, Grantee expends less than \$300,000 in Federal and State Awards, but the total revenue it receives is in excess of \$300,000, Grantee must have a financial statement audit conducted in accordance with the Generally Accepted Auditing Standards (GAAS).

(iii) Grantee must submit its financial statement audit report(s) and any management letters issued by the auditor within the earlier of (i) 30 calendar days after receipt of the auditor's report(s) or (ii) 180 days after the end of the audit period.

15.3. "For-Profit" Entities.

(a) This Paragraph applies to Grantees that are "for-profit" entities.

(b) Program-Specific Audit. If, during its fiscal year, Grantee expends \$750,000 or more in Federal Awards (direct federal and federal pass-through awards) and State Awards, singularly or in any combination, Grantee is required to have a program-specific audit conducted in accordance with 2 CFR 200.507. The audit and reporting package (including data collection form and management letters) must be submitted to Grantor within the earlier of (i) 30 calendar days after receipt of the auditor's report(s) or (ii) nine (9) months after the end of the audit period.

(c) Financial Statement Audit. If, during its fiscal year, Grantee expends less than \$750,000 in Federal Awards and State Awards combined, Grantee must follow all of the audit requirements in Paragraphs 15.2(c)(i)-(iii), above.

15.4. Performance of Audits. For those organizations required to submit an independent audit report, the audit is to be conducted by a Certified Public Accountant or Certified Public Accounting Firm licensed in the State of Illinois. For audits required to be performed subject to Generally Accepted Government Auditing Standards, Grantee shall request and maintain on file a copy of the auditor's most recent peer review report and acceptance letter.

ARTICLE XVI
TERMINATION; SUSPENSION; NON-COMPLIANCE

16.1. Termination.

(a) This Agreement may be terminated, in whole or in part, by either Party for any or no reason upon thirty (30) calendar days' prior written notice to the other Party. If terminated by the Grantee, Grantee must include the reasons for such termination, the effective date, and, in the case of a partial termination, the portion to be terminated. If Grantor determines in the case of a partial termination that the reduced or modified portion of the Award will not accomplish the purposes for which the Award was made, Grantor may terminate the Agreement in its entirety. 2 CFR 200.339(a)(4).

(b) This Agreement may be terminated, in whole or in part, by Grantor without advance notice:

(i) Pursuant to a funding failure under Paragraph 4.1;

(ii) If Grantee fails to comply with the terms and conditions of this or any Award, application or proposal, including any applicable rules or regulations, or has made a false representation in connection with the receipt of this or any Grant;

(iii) For cause, which may render the Grantee ineligible for consideration for future grants from the Grantor or other State agencies; or

(iv) If Grantee breaches this Agreement and either (1) fails to cure such breach within 15 calendar days' written notice thereof, or (2) if such cure would require longer than 15 calendar days and the Grantee has failed to commence such cure within 15 calendar days' written notice thereof. In the event that Grantor terminates this Agreement as a result of the breach of the Agreement by Grantee, Grantee shall be paid for work satisfactorily performed prior to the date of termination.

16.2. Suspension. Grantor may suspend this Agreement, in whole or in part, pursuant to a funding failure under Paragraph 4.1 or if the Grantee fails to comply with terms and conditions of this or any Award. If suspension is due to Grantee's failure to comply, Grantor may withhold further payment and prohibit Grantee from incurring additional obligations pending corrective action by Grantee or a decision to terminate this Agreement by Grantor. Grantor may determine to allow necessary and proper costs that Grantee could not reasonably avoid during the period of suspension.

16.3. Non-compliance. If Grantee fails to comply with applicable statutes, regulations or the terms and conditions of this or any Award, Grantor may impose additional conditions on Grantee, as described in 2 CFR 200.207. If Grantor determines that non-compliance cannot be remedied by imposing additional conditions, Grantor may take one or more of the actions described in 2 CFR 200.338. The Parties shall follow all Grantor policies and procedures regarding non-compliance, including, but not limited to, the procedures set forth in the State of Illinois Grantee Compliance Enforcement System.

16.4. Objection. If Grantor suspends or terminates this Agreement, in whole or in part, for cause, or takes any other action in response to Grantee's non-compliance, Grantee may avail itself of any opportunities to object and challenge such suspension, termination or other action by Grantor in accordance with any applicable processes and procedures, including, but not limited to, the procedures set forth in the State of Illinois Grantee Compliance Enforcement System. 2 CFR 200.341.

16.5. Effects of Suspension and Termination.

(a) Grantor may credit Grantee for expenditures incurred in the performance of authorized services under this Agreement prior to the effective date of a suspension or termination.

(b) Grantee shall not incur any costs or obligations that require the use of these Grant Funds after the effective date of a suspension or termination, and shall cancel as many outstanding obligations as possible.

(c) Costs to Grantee resulting from obligations incurred by Grantee during a suspension or after termination of the Agreement are not allowable unless:

(i) Grantor expressly authorizes them in the notice of suspension or termination;
and

(ii) The costs result from obligations properly incurred before the effective date of suspension or termination, are not in anticipation of the suspension or termination, and the costs would be allowable if the Agreement was not suspended or terminated. 2 CFR 200.342.

16.6. Close-out of Terminated Agreements. If this Agreement is terminated, in whole or in part, the Parties shall comply with all close-out and post-termination requirements of this Agreement. 2 CFR 200.339(c).

**ARTICLE XVII
SUBCONTRACTS/SUB-GRANTS**

17.1. Sub-recipients/Delegation. Grantee may not subcontract nor sub-grant any portion of this Agreement nor delegate any duties hereunder without Prior Approval of Grantor. The requirement for Prior Approval is satisfied if the subcontractor or sub-grantee has been identified in the Uniform Grant Application, such as, without limitation, a Project Description, and Grantor has approved.

17.2. Application of Terms. Grantee shall advise any sub-grantee of funds awarded through this Agreement of the requirements imposed on them by Federal and State laws and regulations, and the provisions of this Agreement.

**ARTICLE XVIII
NOTICE OF CHANGE**

18.1. Notice of Change. Grantee shall notify the Grantor if there is a change in Grantee's legal status, Federal employer identification number (FEIN), DUNS number, SAM registration status, Related Parties, senior management or address. See 30 ILCS 708/60(a). If the change is anticipated, Grantee shall give thirty (30) days' prior written notice to Grantor. If the change is unanticipated, Grantee shall give notice as soon as practicable thereafter. Grantor reserves the right to take any and all appropriate action as a result of such change(s).

18.2. Failure to Provide Notification. Grantee shall hold harmless Grantor for any acts or omissions of Grantor resulting from Grantee's failure to notify Grantor of these changes.

18.3. Notice of Impact. Grantee shall immediately notify Grantor of any event that may have a material impact on Grantee's ability to perform this Agreement.

18.4. Circumstances Affecting Performance; Notice. In the event Grantee becomes a party to any litigation, investigation or transaction that may reasonably be considered to have a material impact on Grantee's ability to perform under this Agreement, Grantee shall notify Grantor, in writing, within five (5) calendar days of determining such litigation or transaction may reasonably be considered to have a material impact on the Grantee's ability to perform under this Agreement.

18.5. Effect of Failure to Provide Notice. Failure to provide the notice described in Paragraph 18.4 shall be grounds for immediate termination of this Agreement and any costs incurred after notice should have been given shall be disallowed.

ARTICLE XIX

STRUCTURAL REORGANIZATION AND RECONSTITUTION OF BOARD MEMBERSHIP

19.1. Effect of Reorganization. Grantee acknowledges that this Agreement is made by and between Grantor and Grantee, as Grantee is currently organized and constituted. No promise or undertaking made hereunder is an assurance that Grantor agrees to continue this Agreement, or any license related thereto, should Grantee significantly reorganize or otherwise substantially change the character of its corporate structure, business structure or governance structure. Grantee agrees that it will give Grantor prior notice of any such action or changes significantly affecting its overall structure or management makeup (for example, a merger or a corporate restructuring), and will provide any and all reasonable documentation necessary for Grantor to review the proposed transaction including financial records and corporate and shareholder minutes of any corporation which may be involved. This ARTICLE XIX does not require Grantee to report on minor changes in the makeup of its board membership. Nevertheless, PART TWO or PART THREE may impose further restrictions. Failure to comply with this ARTICLE XIX shall constitute a material breach of this Agreement.

ARTICLE XX

AGREEMENTS WITH OTHER STATE AGENCIES

20.1. Copies upon Request. Grantee shall, upon request by Grantor, provide Grantor with copies of contracts or other agreements to which Grantee is a party with any other State agency.

ARTICLE XXI

CONFLICT OF INTEREST

21.1. Required Disclosures. Grantee must immediately disclose in writing any potential or actual Conflict of Interest to the Grantor. 2 CFR 200.112 and 44 Ill. Admin. Code 7000.40(b)(3).

21.2. Prohibited Payments. Grantee agrees that payments made by Grantor under this Agreement will not be used to compensate, directly or indirectly, any person: (1) currently holding an elective office in this State including, but not limited to, a seat in the General Assembly, or (2) employed by an office or agency of the State of Illinois whose annual compensation is in excess of sixty percent (60%) of the Governor's annual salary, or \$106,447.20 (30 ILCS 500/50-13).

21.3. Request for Exemption. Grantee may request written approval from Grantor for an exemption from Paragraph 21.2. Grantee acknowledges that Grantor is under no obligation to provide such exemption and that Grantor may, if an exemption is granted, grant such exemption subject to such additional terms and conditions as Grantor may require.

ARTICLE XXII EQUIPMENT OR PROPERTY

22.1. Transfer of Equipment. Grantor shall have the right to require that Grantee transfer to Grantor any equipment, including title thereto, purchased in whole with Grantor funds, if Grantor determines that Grantee has not met the conditions of 2 CFR 200.439(a). Grantor shall notify Grantee in writing should Grantor require the transfer of such equipment. Upon such notification by Grantor, and upon receipt or delivery of such equipment by Grantor, Grantee will be deemed to have transferred the equipment to Grantor as if Grantee had executed a bill of sale therefor.

22.2. Prohibition against Disposition/Encumbrance. The Grantee is prohibited from, and may not sell, transfer, encumber (other than original financing) or otherwise dispose of said equipment, material, or real property during the Grant Term without Prior Approval of Grantor. Any real property acquired using Grant Funds must comply with the requirements of 2 CFR 200.311.

22.3. Equipment and Procurement. Grantee must comply with the uniform standards set forth in 2 CFR 200.310–200.316 governing the management and disposition of property which cost was supported by Grant Funds. Any waiver from such compliance must be granted by either the President's Office of Management and Budget, the Governor's Office of Management and Budget, or both, depending on the source of the Grant Funds used. Additionally, Grantee must comply with the standards set forth in 2 CFR 200.317-200.326 for use in establishing procedures for the procurement of supplies and other expendable property, equipment, real property and other services with Grant Funds. These standards are furnished to ensure that such materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal and State statutes and executive orders.

ARTICLE XXIII PROMOTIONAL MATERIALS; PRIOR NOTIFICATION

23.1. Publications, Announcements, etc. Use of Grant Funds for promotions is subject to the prohibitions for advertising or public relations costs in 2 CFR 200.421(e). In the event that Grantor funds are used in whole or in part to produce any written publications, announcements, reports, flyers, brochures or other written materials, Grantee agrees to include in these publications, announcements, reports, flyers, brochures and all other such material, the phrase "Funding provided in whole or in part by the [Grantor]." Exceptions to this requirement must be requested, in writing, from Grantor and will be considered authorized only upon written notice thereof to Grantee.

23.2. Prior Notification/Release of Information. Grantee agrees to notify Grantor ten (10) days prior to issuing public announcements or press releases concerning work performed pursuant to this Agreement, or funded in whole or in part by this Agreement, and to cooperate with Grantor in joint or coordinated releases of information.

**ARTICLE XXIV
INSURANCE**

24.1. Purchase and Maintenance of Insurance. Grantee shall maintain in full force and effect during the Term of this Agreement casualty and bodily injury insurance, as well as insurance sufficient to cover the replacement cost of any and all real or personal property, or both, purchased or, otherwise acquired, or improved in whole or in part, with funds disbursed pursuant to this Agreement. 2 CFR 200.310. Additional insurance requirements may be detailed in PART TWO or PART THREE.

24.2. Claims. If a claim is submitted for real or personal property, or both, purchased in whole with funds from this Agreement and such claim results in the recovery of money, such money recovered shall be surrendered to Grantor.

**ARTICLE XXV
LAWSUITS AND INDEMNIFICATION**

25.1. Independent Contractor. Grantee is an independent contractor under this Agreement and neither Grantee nor any employee or agent of Grantee is an employee of Grantor and do not acquire any employment rights with Grantor or the State of Illinois by virtue of this Agreement. Grantee will provide the agreed services and achieve the specified results free from the direction or control of Grantor as to the means and methods of performance. Grantee will be required to provide its own equipment and supplies necessary to conduct its business; provided, however, that in the event, for its convenience or otherwise, Grantor makes any such equipment or supplies available to Grantee, Grantee's use of such equipment or supplies provided by Grantor pursuant to this Agreement shall be strictly limited to official Grantor or State of Illinois business and not for any other purpose, including any personal benefit or gain.

25.2. Indemnification. To the extent permitted by law, Grantee agrees to hold harmless Grantor against any and all liability, loss, damage, cost or expenses, including attorneys' fees, arising from the intentional torts, negligence or breach of contract of Grantee, with the exception of acts performed in conformance with an explicit, written directive of Grantor. Indemnification by Grantor will be governed by the State Employee Indemnification Act (5 ILCS 350/1 *et seq.*) as interpreted by the Illinois Attorney General. Grantor makes no representation that Grantee, an independent contractor, will qualify or be eligible for indemnification under said Act.

**ARTICLE XXVI
MISCELLANEOUS**

26.1. Gift Ban. Grantee is prohibited from giving gifts to State employees pursuant to the State Officials and Employees Ethics Act (5 ILCS 430/10-10) and Executive Order 15-09.

26.2. Access to Internet. Grantee must have Internet access. Internet access may be either dial-up or high-speed. Grantee must maintain, at a minimum, one business e-mail address that will be the primary receiving point for all e-mail correspondence from Grantor. Grantee may list additional e-mail addresses at any time during the Term of this Agreement. The additional addresses may be for a specific department or division of Grantee or for specific employees of Grantee. Grantee must notify Grantor of any e-mail address changes within five (5) business days from the effective date of the change.

26.3. Exhibits and Attachments. Exhibits A through G, PART TWO, PART THREE, if applicable, and all other exhibits and attachments hereto are incorporated herein in their entirety.

26.4. Assignment Prohibited. Grantee acknowledges that this Agreement may not be sold, assigned, or transferred in any manner by Grantee, to include an assignment of Grantee's rights to receive payment hereunder, and that any actual or attempted sale, assignment, or transfer by Grantee without the Prior Approval of Grantor in writing shall render this Agreement null, void and of no further effect.

26.5. Amendments. This Agreement may be modified or amended at any time during its Term by mutual consent of the Parties, expressed in writing and signed by the Parties.

26.6. Severability. If any provision of this Agreement is declared invalid, its other provisions shall not be affected thereby.

26.7. No Waiver. No failure of Grantor to assert any right or remedy hereunder will act as a waiver of its right to assert such right or remedy at a later time or constitute a course of business upon which Grantee may rely for the purpose of denial of such a right or remedy to Grantor.

26.8. Applicable Law; Claims. This Agreement and all subsequent amendments thereto, if any, shall be governed and construed in accordance with the laws of the State of Illinois. Any claim against Grantor arising out of this Agreement must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1 *et seq.* Grantor does not waive sovereign immunity by entering into this Agreement.

26.9. Compliance with Law. This Agreement and Grantee's obligations and services hereunder are hereby made and must be performed in compliance with all applicable Federal and State laws, including, without limitation, Federal regulations, State administrative rules, including 44 Ill. Admin. Code 7000, and any and all license requirements or professional certification provisions.

26.10. Compliance with Confidentiality Laws. If applicable, Grantee shall comply with applicable State and Federal statutes, Federal regulations and Grantor administrative rules regarding confidential records or other information obtained by Grantee concerning persons served under this Agreement. The records and information shall be protected by Grantee from unauthorized disclosure.

26.11. Compliance with Freedom of Information Act. Upon request, Grantee shall make available to Grantor all documents in its possession that Grantor deems necessary to comply with requests made under the Freedom of Information Act. (5 ILCS 140/7(2)).

26.12. Precedence. In the event there is a conflict between this Agreement and any of the exhibits or attachments hereto, this Agreement shall control. In the event there is a conflict between PART ONE and PART TWO or PART THREE of this Agreement, PART ONE shall control. In the event there is a conflict between PART TWO and PART THREE of this Agreement, PART TWO shall control. In the event there is a conflict between this Agreement and relevant statute(s) or Administrative Rule(s), the relevant statute(s) or rule(s) shall control.

26.13. Headings. Article and other headings contained in this Agreement are for reference purposes only and are not intended to define or limit the scope, extent or intent of this Agreement or any provision hereof.

26.14. Entire Agreement. Grantee and Grantor acknowledge that this Agreement constitutes the entire agreement between them and that no promises, terms, or conditions not recited, incorporated or referenced

herein, including prior agreements or oral discussions, shall be binding upon either Grantee or Grantor.

26.15. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered to be one and the same agreement, binding on all Parties hereto, notwithstanding that all Parties are not signatories to the same counterpart. Duplicated signatures, signatures transmitted via facsimile, or signatures contained in a Portable Document Format (PDF) document shall be deemed original for all purposes.

26.16. Attorney Fees and Costs. If Grantor prevails in any proceeding to enforce the terms of this Agreement, including any administrative hearing pursuant to the Grant Funds Recovery Act or the Grant Accountability and Transparency Act, the Grantor has the right to recover reasonable attorneys' fees, costs and expenses associated with such proceedings.

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