

Grant Agreement Between
Michigan Department of Health and Human Services
hereinafter referred to as the “Department”

and

Federal I.D.#: _____, DUNS# _____
hereinafter referred to as the “Grantee”

for

Part 1

I. Period of Agreement: This Agreement will commence on the date of the Grantee’s signature or _____, whichever is later, and continue through _____. No activity will be performed and no costs to the state will be incurred prior to _____ or the effective date of the Agreement, whichever is later. Throughout the Agreement, the date of the Grantee’s signature or _____, whichever is later, will be referred to as the start date. This Agreement is in full force and effect for the period specified.

II. Program Budget and Agreement Amount

A. Agreement Amount

The total amount of this Agreement is \$_____. Under the terms of this Agreement, the Department will provide funding not to exceed \$_____. The source of funding provided by the Department can be obtained in the Schedule of Financial Assistance, available on-demand in the EGrAMS electronic grants management system (<http://egramsmi.com/mdhhs>).

The Agreement is designated as a:

- Subrecipient relationship (federal funding); or
- Recipient (non-federal funding).

The Agreement is designated as:

- Research and development project; or
- Not a research and development project.

B. Equipment Purchases and Title

Any Grantee equipment purchases supported in whole or in part through this Agreement must be listed in the supporting Equipment Inventory Schedule which should be attached to the Final Financial Status Report. Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Title to items having a unit acquisition cost of less than \$5,000 will vest with the Grantee upon acquisition. The Department reserves the right to retain or transfer the title to all items of equipment having a unit acquisition cost of \$5,000 or more, to the extent that the Department's proportionate interest in such equipment supports such retention or transfer of title.

C. Deviation Allowance

A deviation allowance modifying an established budget category by \$10,000 or 15%, whichever is greater, is permissible without prior written approval of the Department. Any modification or deviations in excess of this provision, including any adjustment to the total amount of this Agreement, must be made in writing and executed by all parties through an amendment to this Agreement before the modifications can be implemented. This deviation allowance does not authorize new categories, subcontracts, equipment items or positions not shown in the attached Program Budget Summary and supporting detail schedules.

III. Purpose: The focus of the program is to:

IV. Statement of Work: The Grantee agrees to undertake, perform and complete the activities described in Attachment A, which is part of this Agreement.

V. Financial Requirements: The financial requirements must be followed as described in Part 2 and Attachment B, which are part of this Agreement.

VI. Performance/Progress Report Requirements: The progress reporting methods must be followed as described in Part 2 and Attachment C, which are part of this Agreement.

VII. General Provisions: The Grantee agrees to comply with the General Provisions as described in Part 2 and Attachment E, which are part of this Agreement.

VIII. Administration of the Agreement:

The person acting for the Department in administering this Agreement (hereinafter referred to as the Contract Manager) is:

Name,	Title	Telephone No.	Email Address
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IX. Grantee's Financial Contact for the Agreement:

The financial contact acting on behalf of the Grantee for this Agreement is:

Name	Title
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E-Mail Address	Telephone No.
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X. Special Conditions:

- A. This Agreement is valid upon approval and execution by the Department which may be contingent upon approval by the State Administrative Board and signature by the Grantee.
- B. This Agreement is conditionally approved subject to and contingent upon the availability of funds.
- C. Based on the availability of funding, the Department may specify the amount of funding the Grantee may expend during a specific time period within the Agreement Period.
- D. The Department will not assume any responsibility or liability for costs incurred by the Grantee prior to the start date of this Agreement.
- E. The Grantee is required by 2004 PA 533 to receive payments by electronic funds transfer.

XI. Special Certification:

The individual or officer signing this Agreement certifies by their signature that they are authorized to sign this Agreement on behalf of the responsible governing board, official or Grantee.

XII. Signature Section:

For the GRANTEE

Name	<i>(Please print)</i>	Title
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Signature	Date
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For the MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

Christine H. Sanches, Director, Bureau of Grants and Purchasing	Date
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Part 2
General Provisions

I. Responsibilities - Grantee

The Grantee, in accordance with the general purposes and objectives of this Agreement, must:

A. Publication Rights

1. Copyright materials only when the Grantee exclusively develops books, films or other such copyrightable materials through activities supported by this Agreement. The copyrighted materials cannot include recipient information or personal identification data. Grantee provides the Department a royalty-free, non-exclusive and irrevocable license to reproduce, publish and use such materials copyrighted by the Grantee and authorizes others to reproduce and use such materials.
2. Obtain prior written authorization from the Department's Office of Communications for any materials copyrighted by the Grantee or modifications bearing acknowledgment of the Department's name prior to reproduction and use of such materials. The state of Michigan may modify the material copyrighted by the Grantee and may combine it with other copyrightable intellectual property to form a derivative work. The state of Michigan will own and hold all copyright and other intellectual property rights in any such derivative work, excluding any rights or interest granted in this Agreement to the Grantee. If the Grantee ceases to conduct business for any reason or ceases to support the copyrightable materials developed under this Agreement, the state of Michigan has the right to convert its licenses into transferable licenses to the extent consistent with any applicable obligations the Grantee has.
3. Obtain written authorization, at least 14 days in advance, from the Department's Office of Communications and give recognition to the Department in any and all publications, papers and presentations arising from the Agreement activities.
4. Notify the Department's Bureau of Grants and Purchasing 30 days before applying to register a copyright with the U.S. Copyright Office. The Grantee must submit an annual report for all copyrighted materials developed by the Grantee through activities supported by this Agreement and must submit a final invention statement and certification within 60 days of the end of the Agreement period.
5. Not make any media releases related to this Agreement, without prior written authorization from the Department's Office of Communications.

B. Fees

1. Guarantee that any claims made to the Department under this Agreement will not be financed by any sources other than the Department under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to budget the additional source of funds and reflect the source of funding on the Financial Status Report.
2. Make reasonable efforts to collect 1st and 3rd party fees, where applicable, and report those collections on the Financial Status Report. Any under recoveries of otherwise available fees resulting from failure to bill for eligible activities will be excluded from reimbursable expenditures.

C. Grant Program Operation

Provide the necessary administrative, professional and technical staff for operation of the grant program. The Grantee must obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of this Agreement.

Use an accounting system that can identify and account for the funds received from each separate grant, regardless of funding source, and assure that grant funds are not commingled.

D. Reporting

Utilize all report forms and reporting formats required by the Department at the start date of this Agreement and provide the Department with timely review and commentary on any new report forms and reporting formats proposed for issuance thereafter.

E. Record Maintenance/Retention

Maintain adequate program and fiscal records and files, including source documentation, to support program activities and all expenditures made under the terms of this Agreement, as required. The Grantee must assure that all terms of the Agreement will be appropriately adhered to and that records and detailed documentation for the grant project or grant program identified in this Agreement will be maintained for a period of not less than four years from the date of termination, the date of submission of the final expenditure report or until litigation and audit findings have been resolved. This section applies to the Grantee, any parent, affiliate, or subsidiary organization of the Grantee and any subcontractor that performs activities in connection with this Agreement.

F. Authorized Access

1. Permit within 10 calendar days of providing notification and at reasonable times, access by authorized representatives of the Department, Federal Grantor Agency, Inspector Generals, Comptroller General of the United States and State Auditor General, or any of their duly authorized representatives, to records, papers, files, documentation and personnel related to this Agreement, to the extent authorized by applicable state or federal law, rule or regulation.
2. Acknowledge the rights of access in this section are not limited to the required retention period. The rights of access will last as long as the records are retained.
3. Cooperate and provide reasonable assistance to authorized representatives of the Department and others when those individuals have access to the Grantee's grant records.

G. Audits

This section only applies to Grantees designated as subrecipients by the Department (see Part 1, Section II.A.).

1. Required Audit or Audit Exemption Notice

Submit to the Department either a Single Audit, Financial Related Audit or Audit Exemption Notice as described below. A Financial Related Audit is applicable to for-profit Grantees that are designated as subrecipients. If submitting a Single Audit or Financial Related Audit, Grantees must also submit a corrective action plan prepared in accordance with 2 CFR 200.511(c) for any audit findings that impact the Department funded programs, and management letter (if issued) with a corrective action plan.

a. Single Audit

Grantees that are a state, local government or non-profit organization that expend \$750,000 or more in federal awards during the Grantee's fiscal year must submit a Single Audit to the Department, regardless of the amount of funding received from the Department. The Single Audit must comply with the requirements of 2 CFR 200 Subpart F. The Single Audit reporting package must include all components described in 2 CFR 200.512 (c).

b. Financial Related Audit

Grantees that are for-profit organizations that expend \$750,000 or more in federal awards during the Grantee's fiscal year must submit either a financial related audit prepared in accordance with Government Auditing Standards relating to all federal awards, or an audit that meets the requirements contained in 2 CFR 200 Subpart F, if required by the federal awarding agency.

c. Audit Exemption Notice

Grantees exempt from the Single Audit and Financial Related Audit requirements (a. and b. above) must submit an Audit Exemption Notice that certifies these exemptions. The template Audit Exemption Notice and further instructions are available at [State of Michigan - MDHHS](#) by selecting Inside MDHHS – MDHHS Audit – Audit Reporting.

2. Financial Statement Audit

Grantees exempt from the Single Audit and Financial Related Audit requirements (that are required to submit an Audit Exemption Notice as described above) must submit to the Department a Financial Statement Audit prepared in accordance with generally accepted auditing standards if the audit includes disclosures that may negatively impact the Department funded programs including but not limited to fraud, going concern uncertainties, financial statement misstatements and violations of the Agreement requirements. If submitting a Financial Statement Audit, Grantees must also submit a corrective action plan for any audit findings that impact the Department funded programs.

3. Due Date and Where to Send

The required audit and any other required submissions (i.e., corrective action plan, and management letter with a corrective action plan), and/or Audit Exemption Notice must be submitted to the Department within nine months of the end of the Grantee's fiscal year by e-mail to MDHHS-AuditReports@michigan.gov. Single Audit reports must be submitted simultaneously to the Department and Federal Audit Clearinghouse, in accordance with 2 CFR 200.512(a). The required submissions must be assembled in PDF files and compatible with Adobe Acrobat (read only). The subject line must state the agency name and fiscal year end. The Department reserves the right to request a hard copy of the audit materials if for any reason the electronic submission process is not successful.

4. Penalty

a. Delinquent Single Audit or Financial Related Audit

If the Grantee does not submit the required Single Audit or Financial Related Audit, including any management letter and applicable corrective action

plan(s) within nine months after the end of the Grantee's fiscal year, the Department may withhold from any payment from the Department to the Grantee an amount equal to five percent of the audit year's grant funding (not to exceed \$200,000) until the required filing is received by the Department. The Department may retain the amount withheld if the Grantee is more than 120 days delinquent in meeting the filing requirements. The Department may terminate any current grant agreements if the Grantee is more than 180 days delinquent in meeting the filing requirements.

b. Delinquent Audit Exemption Notice

Failure to submit the Audit Exemption Notice, when required, may result in withholding from any payment from Department to the Grantee an amount equal to one percent of the audit year's grant funding until the Audit Exemption Notice is received.

5. Other Audits

The Department or federal agencies may also conduct or arrange for agreed upon procedures or additional audits to meet their needs.

H. Subrecipient/Contractor Monitoring

1. When passing federal funds through to a subrecipient (if the Agreement does not prohibit the passing of federal funds through to a subrecipient), the Grantee must:
 - a. Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information required by 2 CFR 200.332.
 - b. Ensure the subrecipient complies with all the requirements of this Agreement.
 - c. Evaluate each subrecipient's risk for noncompliance as required by 2 CFR 200.332(b).
 - d. Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations and the terms and conditions of the subawards; that subaward performance goals are achieved; and that all monitoring requirements of 2 CFR 200.332(d) are met including reviewing financial and programmatic reports, following up on corrective actions and issuing management decisions for audit findings.
 - e. Verify that every subrecipient is audited as required by 2 CFR 200 Subpart F.
2. Develop a subrecipient monitoring plan that addresses the above requirements and provides reasonable assurance that the subrecipient administers federal awards in compliance with laws, regulations and the provisions of this Agreement, and that performance goals are achieved. The subrecipient monitoring plan should include a risk-based assessment to determine the level of oversight and monitoring activities, such as reviewing financial and performance reports, performing site visits and maintaining regular contact with subrecipients.
3. Establish requirements to ensure compliance for for-profit subrecipients as required by 2 CFR 200.501(h), as applicable.
4. Ensure that transactions with subrecipients/contractors comply with laws, regulations and provisions of contracts or grant agreements.

I. Notification of Modifications

Provide timely notification to the Department, in writing, of any action by its governing board or any other funding source that would require or result in significant modification in the provision of activities, funding or compliance with operational procedures.

J. Software Compliance

Ensure software compliance and compatibility with the Department's data systems for activities provided under this Agreement, including but not limited to stored data, databases and interfaces for the production of work products and reports. All required data under this Agreement must be provided in an accurate and timely manner without interruption, failure or errors due to the inaccuracy of the Grantee's business operations for processing data. All information systems, electronic or hard copy, that contain state or federal data must be protected from unauthorized access.

K. Human Subjects

Comply with Federal Policy for the Protection of Human Subjects, 45 CFR 46. The Grantee agrees that prior to the initiation of the research, the Grantee will submit Institutional Review Board (IRB) application material for all research involving human subjects, which is conducted in programs sponsored by the Department or in programs which receive funding from or through the state of Michigan, to the Department's IRB for review and approval, or the IRB application and approval materials for acceptance of the review of another IRB. All such research must be approved by a federally assured IRB, but the Department's IRB can only accept the review and approval of another institution's IRB under a formally approved interdepartmental agreement. The manner of the review will be agreed upon between the Department's IRB Chairperson and the Grantee's authorized official.

L. Mandatory Disclosures

1. Disclose to the Department in writing within 14 days of receiving notice of any litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") involving Grantee, a subcontractor or an officer or director of Grantee or subcontractor that arises during the term of this Agreement including:
 - a. All violations of federal and state criminal law involving fraud, bribery, or gratuity violations potentially affecting the Agreement.
 - b. A criminal Proceeding;
 - c. A parole or probation Proceeding;
 - d. A Proceeding under the Sarbanes-Oxley Act;
 - e. A civil Proceeding involving:
 - i. A claim that might reasonably be expected to adversely affect Grantee's viability or financial stability; or
 - ii. A governmental or public entity's claim or written allegation of fraud; or
 - iii. Any complaint filed in a legal or administrative proceeding alleging the Grantee or its subcontractors discriminated against its employees, subcontractors, vendors, or suppliers during the term of this Agreement; or
 - f. A Proceeding involving any license that Grantee is required to possess in order to perform under this Agreement.

2. Notify the Department, at least 90 calendar days before the effective date, of a change in Grantee's ownership or executive management.

M. Statement of Work Progress Reports

Submit quarterly Statement of Work progress reports to the Department via the <http://egram-mi.com/mdhhs> website by the 15th day of the month following the end of the quarter and a final report no later than 15 days following the end of this Agreement.

N. Conflict of Interest and Code of Conduct Standards

1. Be subject to the provisions of 1968 PA 317, as amended, 1973 PA 196, as amended, and 2 CFR 200.318 (c)(1) and (2).
2. Uphold high ethical standards and be prohibited from the following:
 - a. Holding or acquiring an interest that would conflict with this Agreement;
 - b. Doing anything that creates an appearance of impropriety with respect to the award or performance of this Agreement;
 - c. Attempting to influence or appearing to influence any state employee by the direct or indirect offer of anything of value; or
 - d. Paying or agreeing to pay any person, other than employees and consultants working for Grantee, any consideration contingent upon the award of this Agreement.
3. Immediately notify the Department of any violation or potential violation of these standards. This section applies to Grantee, any parent, affiliate or subsidiary organization of Grantee, and any subcontractor that performs activities in connection with this Agreement.

O. Travel Costs

1. Be reimbursed for travel costs (including mileage, meals and lodging) budgeted and incurred related to activities provided under this Agreement.
 - a. If the Grantee has a documented policy related to travel reimbursement for employees and if the Grantee follows that documented policy, the Department will reimburse the Grantee for travel costs at the Grantee's documented reimbursement rate for employees. Otherwise, the state of Michigan travel reimbursement rate applies.
 - b. State of Michigan travel rates may be found at the following website: https://www.michigan.gov/dtmb/0,5552,7-358-82548_13132---,00.html
 - c. International travel must be preapproved by the Department and itemized in the budget.

P. Federal Funding Accountability and Transparency Act (FFATA)

1. Complete and upload the FFATA Executive Compensation report to the EGrAMS agency profile if:
 - a. The Grantee's federal revenue was 80% or more of the Grantee's annual gross revenue; AND
 - b. Grantee's gross revenue from federal awards was \$25,000,000 or more; AND
 - c. The public does not have access to the information about executive officers'

compensation through periodic reports filed under Section 13(a) or 15 (d) of the Securities Exchange Act of 1934 or Section 6104 of the Internal Revenue Code of 1986.

2. The FFATA Executive Compensation report template can be found in EGrAMS documents.

Q. Insurance Requirements

1. Maintain at least a minimum of the insurances or governmental self-insurances listed below and be responsible for all deductibles. All required insurance or self-insurance must:
 - a. Protect the state of Michigan from claims that may arise out of, are alleged to arise out of, or result from Grantee's or a subcontractor's performance;
 - b. Be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the state; and
 - c. Be provided by a company with an A.M. Best rating of "A-" or better and a financial size of VII or better.
2. Insurance Types
 - a. Commercial General Liability Insurance or Governmental Self-Insurance: Except for Governmental Self-Insurance, policies must be endorsed to add "the state of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 20 10 12 19 and CG 20 37 12 19.

If the Grantee will interact with children, schools, or the cognitively impaired, the Grantee must maintain appropriate insurance coverage related to sexual abuse and molestation liability.
 - b. Workers' Compensation Insurance or Governmental Self-Insurance: Coverage according to applicable laws governing work activities. Policies must include waiver of subrogation, except where waiver is prohibited by law.
 - c. Employers Liability Insurance or Governmental Self-Insurance.
 - d. Privacy and Security Liability (Cyber Liability) Insurance: cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
3. Require that subcontractors maintain the required insurances contained in this Section.
4. This Section is not intended to and is not to be construed in any manner as waiving, restricting or limiting the liability of the Grantee from any obligations under this Agreement.
5. Each Party must promptly notify the other Party of any knowledge regarding an occurrence which the notifying Party reasonably believes may result in a claim against either Party. The Parties must cooperate with each other regarding such claim.

R. Fiscal Questionnaire

1. Complete and upload the yearly fiscal questionnaire to the EGrAMS agency profile within three months of the start of the agreement.

2. The fiscal questionnaire template can be found in EGrAMS documents.

S. Criminal Background Check

1. Conduct or cause to be conducted a search that reveals information similar or substantially similar to information found on an Internet Criminal History Access Tool (ICHAT) check and a national and state sex offender registry check for each new employee, employee, subcontractor, subcontractor employee, or volunteer who under this Agreement works directly with clients or has access to client information.
 - a. ICHAT: <http://apps.michigan.gov/ichat>
 - b. Michigan Public Sex Offender Registry: <http://www.mipsor.state.mi.us>
 - c. National Sex Offender Registry: <http://www.nsopw.gov>
2. Conduct or cause to be conducted a Central Registry (CR) check for each new employee, employee, subcontractor, subcontractor employee, or volunteer who under this Agreement works directly with children.
 - a. Central Registry: https://www.michigan.gov/mdhhs/0,5885,7-339-73971_7119_50648_48330-180331--,00.html
3. Require each new employee, employee, subcontractor, subcontractor employee or volunteer who, under this Agreement, works directly with clients or who has access to client information to notify the Grantee in writing of criminal convictions (felony or misdemeanor), pending felony charges, or placement on the Central Registry as a perpetrator, at hire or within 10 days of the event after hiring.
4. Determine whether to prohibit any employee, subcontractor, subcontractor employee, or volunteer from performing work directly with clients or accessing client information related to clients under this Agreement, based on the results of a positive ICHAT response or reported criminal felony conviction or perpetrator identification.
5. Determine whether to prohibit any employee, subcontractor, subcontractor employee or volunteer from performing work directly with children under this Agreement, based on the results of a positive CR response or reported perpetrator identification.
6. Require any employee, subcontractor, subcontractor employee or volunteer who may have access to any databases of information maintained by the federal government that contain confidential or personal information, including but not limited to federal tax information, to have a fingerprint background check performed by the Michigan State Police.

II. Responsibilities - Department

The Department in accordance with the general purposes and objectives of this Agreement will:

A. Reimbursement

Provide reimbursement in accordance with the terms and conditions of this Agreement based upon appropriate reports, records and documentation maintained by the Grantee.

B. Report Forms

Provide any report forms and reporting formats required by the Department at the start date of this Agreement and provide to the Grantee any new report forms and reporting formats proposed for issuance thereafter at least 30 days prior to their required usage in

order to afford the Grantee an opportunity to review.

III. **Assurances**

The following assurances are hereby given to the Department:

A. **Compliance with Applicable Laws**

The Grantee will comply with applicable federal and state laws, guidelines, rules and regulations in carrying out the terms of this Agreement. The Grantee will also comply with all applicable general administrative requirements, such as 2 CFR 200, covering cost principles, grant/agreement principles and audits, in carrying out the terms of this Agreement. The Grantee will comply with all applicable requirements in the original grant awarded to the Department if the Grantee is a subgrantee. The Department may determine that the Grantee has not complied with applicable federal or state laws, guidelines, rules and regulations in carrying out the terms of this Agreement and may then terminate this Agreement under Part 2, Section V.

B. **Anti-Lobbying Act**

The Grantee will comply with the Anti-Lobbying Act (31 U.S.C. 1352) as revised by the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 *et seq.*), Federal Acquisition Regulations 52.203.11 and 52.203.12, and Section 503 of the Departments of Labor, Health & Human Services, and Education, and Related Agencies section of the current fiscal year Omnibus Consolidated Appropriations Act. Further, the Grantee must require that the language of this assurance be included in the award documents of all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients must certify and disclose accordingly.

C. **Non-Discrimination**

1. The Grantee must comply with the Department's non-discrimination statement: The Michigan Department of Health and Human Services will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status, gender identification or expression, sexual orientation, partisan considerations, or a disability or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. The Grantee further agrees that every subcontract entered into for the performance of any contract or purchase order resulting therefrom, will contain a provision requiring non-discrimination in employment, activity delivery and access, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot-Larsen Civil Rights Act (1976 PA 453, as amended; MCL 37.2101 *et seq.*) and the Persons with Disabilities Civil Rights Act (1976 PA 220, as amended; MCL 37.1101 *et seq.*), and any breach thereof may be regarded as a material breach of this Agreement.
2. The Grantee will comply with all federal and state statutes relating to nondiscrimination. These include but are not limited to:
 - a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination based on race, color or national origin;
 - b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, 1685-1686), which prohibits discrimination based on sex;
 - c. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination based on disabilities;
 - d. The Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107),

which prohibits discrimination based on age;

- e. The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination based on drug abuse;
 - f. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination based on alcohol abuse or alcoholism;
 - g. Sections 523 and 527 of the Public Health Service Act of 1944 (42 U.S.C. 290dd-2), as amended, relating to confidentiality of alcohol and drug abuse patient records;
 - h. Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made; and,
 - i. The requirements of any other nondiscrimination statute(s) which may apply to the application.
3. Additionally, assurance is given to the Department that proactive efforts will be made to identify and encourage the participation of minority-owned and women-owned businesses, and businesses owned by persons with disabilities in contract solicitations. The Grantee must include language in all contracts awarded under this Agreement which (1) prohibits discrimination against minority-owned and women-owned businesses and businesses owned by persons with disabilities in subcontracting; and (2) makes discrimination a material breach of contract.

D. Debarment and Suspension

The Grantee will comply with federal regulation 2 CFR 180 and certifies to the best of its knowledge and belief that it, its employees and its subcontractors:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or contractor;
2. Have not within a five-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) or private transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 2;
4. Have not within a five-year period preceding this Agreement had one or more public transactions (federal, state or local) terminated for cause or default; and
5. Have not committed an act of so serious or compelling a nature that it affects the Grantee's present responsibilities.

E. Federal Requirement: Pro-Children Act

1. The Grantee will comply with the Pro-Children Act of 1994 (P.L. 103-227; 20 U.S.C. 6081, et seq.), which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development activities, education

or library activities to children under the age of 18, if the activities are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's activities that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's activities provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; activity providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The Grantee also assures that this language will be included in any subawards which contain provisions for children's activities.

2. The Grantee also assures, in addition to compliance with P.L. 103-227, any activity funded in whole or in part through this Agreement will be delivered in a smoke-free facility or environment. Smoking must not be permitted anywhere in the facility, or those parts of the facility under the control of the Grantee. If activities are delivered in facilities or areas that are not under the control of the Grantee (e.g., a mall, restaurant or private work site), the activities must be smoke-free.

F. Hatch Act and Intergovernmental Personnel Act

The Grantee will comply with the Hatch Act (5 U.S.C. 1501-1508, 5 U.S.C. 7321-7326), and the Intergovernmental Personnel Act of 1970 (P.L. 91-648) as amended by Title VI of the Civil Service Reform Act of 1978 (P.L. 95-454). Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally assisted programs.

G. Employee Whistleblower Protections

The Grantee will comply with 41 U.S.C. 4712 and must insert this clause in all subcontracts.

H. Clean Air Act and Federal Water Pollution Control Act

The Grantee will comply with the Clean Air Act (42 U.S.C. 7401-7671(q)) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1388), as amended.

This Agreement and anyone working on this Agreement will be subject to the Clean Air Act and Federal Water Pollution Control Act and must comply with all applicable standards, orders or regulations issued pursuant to these Acts. Violations must be reported to the Department.

I. Victims of Trafficking and Violence Protection Act

The Grantee will comply with the Victims of Trafficking and Violence Protection Act of 2000 (P.L. 106-386), as amended.

This Agreement and anyone working on this Agreement will be subject to P.L. 106-386 and must comply with all applicable standards, orders or regulations issued pursuant to this Act. Violations must be reported to the Department.

J. Procurement of Recovered Materials

The Grantee will comply with section 6002 of the Solid Waste Disposal Act of 1965 (P.L. 89-272), as amended.

This Agreement and anyone working on this Agreement will be subject to section 6002 of

P.L. 89-272, as amended, and must comply with all applicable standards, orders or regulations issued pursuant to this act. Violations must be reported to the Department.

K. Subcontracts

For any subcontracted activity or product, the Grantee will ensure:

1. That a written subcontract is executed by all affected parties prior to the initiation of any new subcontract activity or delivery of any subcontracted product. Exceptions to this policy may be granted by the Department if the Grantee asks the Department in writing within 30 days of execution of the Agreement.
2. That any executed subcontract to this Agreement must require the subcontractor to comply with all applicable terms and conditions of this Agreement. In the event of a conflict between this Agreement and the provisions of the subcontract, the provisions of this Agreement will prevail.

A conflict between this Agreement and a subcontract, however, will not be deemed to exist where the subcontract:

- a. Contains additional non-conflicting provisions not set forth in this Agreement;
 - b. Restates provisions of this Agreement to afford the Grantee the same or substantially the same rights and privileges as the Department; or
 - c. Requires the subcontractor to perform duties and/or activities in less time than that afforded the Grantee in this Agreement.
3. That the subcontract does not affect the Grantee's accountability to the Department for the subcontracted activity.
 4. That any billing or request for reimbursement for subcontract costs is supported by a valid subcontract and adequate source documentation on costs and activities.
 5. That the Grantee will submit a copy of the executed subcontract if requested by the Department.

L. Procurement

1. Grantee will ensure that all purchase transactions, whether negotiated or advertised, are conducted openly and competitively in accordance with the principles and requirements of 2 CFR 200.
2. Funding from this Agreement must not be used for the purchase of foreign goods or services.
3. Preference must be given to goods and services manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
4. Preference must be given to goods and services that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.
5. Records must be sufficient to document the significant history of all purchases and must be maintained for a minimum of four years after the end of the Agreement period.

M. Health Insurance Portability and Accountability Act

To the extent that the Health Insurance Portability and Accountability Act (HIPAA) is applicable to the Grantee under this Agreement, the Grantee assures that it is in

compliance with requirements of HIPAA including the following:

1. The Grantee must not share any protected health information provided by the Department that is covered by HIPAA except as permitted or required by applicable law, or to a subcontractor as appropriate under this Agreement.
2. The Grantee will ensure that any subcontractor will have the same obligations as the Grantee not to share any protected health data and information from the Department that falls under HIPAA requirements in the terms and conditions of the subcontract.
3. The Grantee must only use the protected health data and information for the purposes of this Agreement.
4. The Grantee must have written policies and procedures addressing the use of protected health data and information that falls under the HIPAA requirements. The policies and procedures must meet all applicable federal and state requirements including the HIPAA regulations. These policies and procedures must include restricting access to the protected health data and information by the Grantee's employees.
5. The Grantee must have a policy and procedure to immediately report to the Department any suspected or confirmed unauthorized use or disclosure of protected health information that falls under the HIPAA requirements of which the Grantee becomes aware. The Grantee will work with the Department to mitigate the breach and will provide assurances to the Department of corrective actions to prevent further unauthorized uses or disclosures. The Department may demand specific corrective actions and assurances and the Grantee must provide the same to the Department.
6. Failure to comply with any of these contractual requirements may result in the termination of this Agreement in accordance with Part 2, Section V.
7. In accordance with HIPAA requirements, the Grantee is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data and information, including without limitation the Department's costs in responding to a breach, received by the Grantee from the Department or any other source.
8. The Grantee will enter into a business associate agreement should the Department determine such an agreement is required under HIPAA.

N. Website Incorporation

The Department is not bound by any content on Grantee's website or other internet communication platforms or technologies, unless expressly incorporated directly into this Agreement. The Department is not bound by any end user license agreement or terms of use unless specifically incorporated in this Agreement or any other agreement signed by the Department. The Grantee must not refer to the Department on the Grantee's website or other internet communication platforms or technologies without the prior written approval of the Department.

O. Survival

The provisions of this Agreement that impose continuing obligations will survive the expiration or termination of this Agreement.

P. Non-Disclosure of Confidential Information

1. The Grantee agrees that it will use confidential information solely for the purpose

of this Agreement. The Grantee agrees to hold all confidential information in strict confidence and not to copy, reproduce, sell, transfer or otherwise dispose of, give or disclose such confidential information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Agreement or to use such confidential information for any purpose whatsoever other than the performance of this Agreement. The Grantee must take all reasonable precautions to safeguard the confidential information. These precautions must be at least as great as the precautions the Grantee takes to protect its own confidential or proprietary information.

2. Meaning of Confidential Information

For the purpose of this Agreement the term “confidential information” means all information and documentation that:

- a. Has been marked “confidential” or with words of similar meaning, at the time of disclosure by such party;
- b. If disclosed orally or not marked “confidential” or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked “confidential” or with words of similar meaning;
- c. Should reasonably be recognized as confidential information of the disclosing party;
- d. Is unpublished or not available to the general public; or
- e. Is designated by law as confidential.

3. The term “confidential information” does not include any information or documentation that was:

- a. Subject to disclosure under the Michigan Freedom of Information Act (FOIA);
- b. Already in the possession of the receiving party without an obligation of confidentiality;
- c. Developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party’s proprietary rights;
- d. Obtained from a source other than the disclosing party without an obligation of confidentiality; or
- e. Publicly available when received or thereafter became publicly available (other than through an unauthorized disclosure by, through or on behalf of, the receiving party).

4. The Grantee must notify the Department within one business day after discovering any unauthorized use or disclosure of confidential information. The Grantee will cooperate with the Department in every way possible to regain possession of the confidential information and prevent further unauthorized use or disclosure.

Q. Cap on Salaries

None of the funds awarded to the Grantee through this Agreement will be used to pay, either through a grant or other external mechanism, the salary of an individual at a rate in excess of Executive Level II. The current rates of pay for the Executive Schedule are located on the United States Office of Personnel Management web site, <http://www.opm.gov>, by navigating to Policy — Pay & Leave — Salaries & Wages. The salary rate limitation does not restrict the salary that a Grantee may pay an individual under its employment; rather, it merely limits the portion of that salary that may be paid

with funds from this Agreement.

IV. Financial Requirements

A. Operating Advance

An operating advance may be requested by the Grantee to assist with program operations. The request should be addressed to the Contract Manager identified in Part 1, Section VIII. The operating advance will be administered as follows:

1. The operating advance amount requested must be reasonable in relation to factors including but not limited to program requirements, the period of the Agreement, and the financial obligation. The advance must not exceed 16.67 percent of operating expenses. Operating advances will be monitored and adjusted by the Department relative to the Agreement amount.
2. The operating advance must be recorded as an account payable liability to the Department in the Grantee's financial records. The operating advance payable liability must remain in the Grantee's financial records until fully recovered by the Department.
3. The reimbursement for actual expenditures by the Department should be used by the Grantee to replenish the operating advance used for program operations.
4. The operating advance must be returned to the Department within 30 days of the end date of this Agreement unless the Grantee has a recurring agreement with the Department. Subsequent Department agreements may not be executed if an outstanding operational advance has not been repaid.

The Department may obtain the Michigan Department of Treasury's assistance in collecting outstanding operating advances. The Department will comply with the Michigan Department of Treasury's due process procedures prior to forwarding claims to Treasury. Specific due process procedures include the following:

- a. An offer from the Department of a hearing to dispute the debt, identifying the time, place and date of such hearing.
 - b. A hearing by an impartial official.
 - c. An opportunity for the Grantee to examine the Department's associated records.
 - d. An opportunity for the Grantee to present evidence in person or in writing.
 - e. A hearing official with full authority to correct errors and decide not to forward debt to Treasury.
 - f. Grantee representation by an attorney and presentation of witnesses if necessary.
5. If the Grantee has a recurring agreement with the Department, the Department requires an annual confirmation of the outstanding operating advance. At the end of either the Agreement period or Department's fiscal year, whichever is first, the Grantee must respond to the Department's request for confirmation of the operating advance. Failure to respond to the confirmation request may result in the Department recovering all or part of an outstanding operating advance.

B. Reimbursement Method

The Grantee will be paid for allowable expenditures incurred by the Grantee, submitted for reimbursement on the Financial Status Reports (FSRs) and approved by the

Department. Reimbursement from the Department is based on the understanding that Department funds will be paid up to the total Department allocation as agreed to in the approved budget. Department funds are the first source after the application of fees and earmarked sources unless a specific local match condition exists.

C. Financial Status Report Submission

The Grantee must electronically prepare and submit FSRs to the Department via the [EGrAMS website](http://egrams-mi.com/mdhhs) (<http://egrams-mi.com/mdhhs>).

FSRs must be submitted on a monthly basis, no later than 30 days after the close of each calendar month. The monthly FSRs must reflect total actual program expenditures, up to the total agreement amount. Failure to meet financial reporting responsibilities as identified in this Agreement may result in withholding future payments.

The Grantee representative who submits the FSR is certifying to the best of their knowledge and belief that the report is true, complete and accurate and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of this Agreement. The individual submitting the FSR should be aware that any false, fictitious or fraudulent information, or the omission of any material facts, may subject them to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

The instructions for completing the FSR form are available on the [EGrAMS website](#). Send FSR questions to FSRMDHHS@michigan.gov.

D. Reimbursement Mechanism

All Grantees must register using the on-line vendor self-service site to receive all state of Michigan payments as Electronic Funds Transfers (EFT)/Direct Deposits, as mandated by MCL 18.1283a. Vendor registration information is available through the Department of Technology, Management and Budget's web site: <https://www.michigan.gov/sigmavss>.

E. Final Obligations and Financial Status Report Requirements

1. Obligation Report

The Obligation Report, based on annual guidelines, must be submitted by the due date established by and using the format provided by the Department's Expenditures Operations Division. The Grantee must provide an estimate of unbilled expenditures for the entire Agreement period. The information on the report will be used to record the Department's year-end accounts payable and receivable for this Agreement.

2. Department-wide Payment Suspension

A temporary payment suspension is in effect on agreements during the Department's year-end closing period. The Department will notify the Grantee of the date by which FSRs should be submitted to ensure payment prior to the payment suspension period.

3. Final FSRs

Final FSRs are due 30 days following the end of the Agreement period. The final FSR must be clearly marked "Final". Final FSRs not received by the due date may result in the loss of funding requested on the Obligation Report and may result in a potential reduction in a subsequent year's Agreement amount.

F. Unobligated Funds

Any unobligated balance of funds held by the Grantee at the end of the Agreement period

will be returned to the Department within 30 days of the end of the Agreement or treated in accordance with instructions provided by the Department.

G. Indirect Costs

The Grantee may use an approved federal or state indirect rate in their budget calculations and financial status reporting. If the Grantee does not have an existing approved federal or state indirect rate, they may use a 10% de minimis rate in accordance with 2 CFR 200 to recover their indirect costs. Governmental Grantees with an existing cost allocation plan may budget accordingly in lieu of an indirect cost rate. Non-governmental Grantees may use a cost allocation plan only if the plan was in place prior to December 26, 2014.

V. Agreement Termination

This Agreement may be terminated without further liability or penalty to the Department for any of the following reasons:

- A. By either party by giving 30 days written notice to the other party stating the reasons for termination and the effective date.
- B. By either party with 30 days written notice upon the failure of either party to carry out the terms and conditions of this Agreement, provided the alleged defaulting party is given notice of the alleged breach and fails to cure the default within the 30-day period.
- C. Immediately if the Grantee or an official of the Grantee or an owner is convicted of any activity referenced in Part 2 Section III. D. of this Agreement during the term of this Agreement or any extension thereof.

VI. Stop Work Order

The Department may suspend any or all activities under this Agreement at any time. The Department will provide the Grantee with a written stop work order detailing the suspension. Grantee must comply with the stop work order upon receipt. The Department will not pay for activities, Grantee's incurred expenses or financial losses, or any additional compensation during a stop work period.

VII. Final Reporting Upon Termination

Should this Agreement be terminated by either party, within 30 days after the termination, the Grantee must provide the Department with all financial, performance and other reports required as a condition of this Agreement. The Department will make payments to the Grantee for allowable reimbursable costs not covered by previous payments or other state or federal programs. The Grantee must immediately refund to the Department any funds not authorized for use and any payments or funds advanced to the Grantee in excess of allowable reimbursable expenditures.

VIII. Severability

If any part of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, that part will be deemed deleted from this Agreement and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining parts of the Agreement will continue in full force and effect.

IX. Waiver

Failure by the Department to enforce any provision of this Agreement will not constitute a waiver of the Department's right to enforce any other provision of this Agreement.

X. Amendments

Any changes to this Agreement will be valid only if made in writing and executed by all parties

through an amendment to this Agreement. Any change proposed by the Grantee which would affect the Department funding of any project must be submitted in writing to the Department immediately upon determining the need for such change. The Department has sole discretion to approve or deny the amendment request. The Grantee must, upon request of the Department and receipt of a proposed amendment, amend this Agreement.

XI. Liability

The Grantee assumes all liability to third parties, loss, or damage because of claims, demands, costs, or judgments arising out of activities, such as but not limited to direct activity delivery, to be carried out by the Grantee in the performance of this Agreement, under the following conditions:

- A. The liability, loss, or damage is caused by, or arises out of, the actions of or failure to act on the part of the Grantee, any of its subcontractors, or anyone directly or indirectly employed by the Grantee.
- B. Nothing herein will be construed as a waiver of any governmental immunity that has been provided to the Grantee or its employees by statute or court decisions.

The Department is not liable for consequential, incidental, indirect or special damages, regardless of the nature of the action.

XII. State of Michigan Agreement

This Agreement is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Agreement are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Agreement must be resolved in the Michigan Court of Claims. Complaints against the State must be initiated in Ingham County, Michigan. Grantee waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Grantee must appoint an agent in Michigan to receive service of process.

STATEMENT OF WORK

Methodology: Activities, Responsible Individual(s), Timeline and Deliverable(s)

	Responsible Individual(s)	Timeline	Deliverable(s)
Objective 1			
Activity 1			
Activity 2			
Activity 3			
Objective 2			
Activity 1			
Activity 2			
Activity 3			
Objective 3			
Activity 1			
Activity 2			
Activity 3			
Objective 4			
Activity 1			
Activity 2			
Activity 3			
Objective 5			
Activity 1			
Activity 2			
Activity 3			

PROGRAM BUDGET – COST DETAIL SCHEDULE

View at 100% or Larger
Use **WHOLE DOLLARS** Only

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

Page Of

PROGRAM		BUDGET PERIOD		DATE PREPARED
		From: Error! Reference source not found.	To:	
GRANTEE NAME		BUDGET AGREEMENT		AMENDMENT #
		<input type="checkbox"/> ORIGINAL	<input type="checkbox"/> AMENDMENT	
1. SALARY & WAGES	POSITION DESCRIPTION	COMMENTS	POSITIONS REQUIRED	TOTAL SALARY
				\$0
				\$0
				\$0
				\$0
				\$0
				\$0
				\$0
1. TOTAL SALARIES & WAGES:			0	\$0
2. FRINGE BENEFITS (Specify)				
<input type="checkbox"/> FICA	<input type="checkbox"/> LIFE INS.	<input type="checkbox"/> DENTAL INS.	COMPOSITE RATE	
<input type="checkbox"/> UNEMPLOY INS.	<input type="checkbox"/> VISION INS.	<input type="checkbox"/> WORK COMP.	AMOUNT 0.00%	
<input type="checkbox"/> RETIREMENT	<input type="checkbox"/> HEARING INS.			
<input type="checkbox"/> HOSPITAL INS.	<input type="checkbox"/> OTHER (specify) _____			
			2. TOTAL FRINGE BENEFITS	\$0
3. TRAVEL (Specify if category exceeds 10% of Total Expenditures)				
			3 TOTAL TRAVEL	\$0
4. SUPPLIES & MATERIALS (Specify if category exceeds 10% of Total Expenditures)				
			4. TOTAL SUPPLIES & MATERIALS	\$0
5. CONTRACTUAL (Specify Subcontracts/Subrecipients)				
<u>Name</u>	<u>Address</u>		<u>Amount</u>	
			5. TOTAL CONTRACTUAL:	\$0
6. EQUIPMENT (Specify items)				
			6. TOTAL EQUIPMENT:	\$0
7. OTHER EXPENSES (Specify if category exceeds 10% of Total Expenditures)				
			7. TOTAL OTHER:	\$0
8. TOTAL DIRECT EXPENDITURES (Sum of Totals 1-7)		8. TOTAL DIRECT EXPENDITURE		\$0
9. INDIRECT COST CALCULATIONS	Rate #1: Description	Base \$0 X	Rate 0.0000 %	Total
	Rate #2: Description	Base \$0 X	Rate 0.0000 %	Total
			9. TOTAL INDIRECT EXPENDITURES:	\$0
10. TOTAL EXPENDITURES (Sum of lines 8-9)				\$0
AUTHORITY: P.A. 368 of 1978		The Michigan Department of Health and Human Services is an equal opportunity		
COMPLETION: Is Voluntary, but is required as a condition of funding		employer, activities and programs provider.		
DCH-0386 (E) (Rev 6/15) (W) Previous Edition Obsolete. Use Additional Sheets as Needed				

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

EQUIPMENT INVENTORY SCHEDULE

Please list equipment items that were purchased during the Agreement period as specified in the Agreement budget's cost detail schedule - Attachment B.2. Provide as much information about each piece as possible, including quantity, item name, item specifications: *make, model*, etc. Equipment is defined to be an article of non-expendable tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Please complete and attach this form to the final FSR progress report.

Grantee Name: _____ Agreement #: _____ Date: _____

Quantity	Item Name	Item Specification	Tag Number	Purchased Amount
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
Total				\$ 0

Grantee's Signature: _____ Date: _____

PERFORMANCE / PROGRESS REPORT REQUIREMENTS

- A. The Grantee must submit the following reports on the following dates:

- B. Any such other information as specified in the Statement of Work, Attachment A must be developed and submitted by the Grantee as required by the Contract Manager.

- C. Reports and information must be submitted to the Contract Manager at:

- D. The Contract Manager will evaluate the reports submitted as described in Attachment C, Items A. and B. for their completeness and adequacy.

- E. The Grantee must permit the Department or its designee to visit and to make an evaluation of the project as determined by Contract Manager.

OTHER SPECIFIC PROGRAM REQUIREMENTS