



Pat Quinn
Governor

Warren Ribley
Director

March 15, 2010

Kelly Murray
Executive Director
Illinois Association of Regional Councils
413 West Monroe
Springfield, IL 62704-1881

Dear Ms. Murray,

The Department of Commerce and Economic Opportunity (DCEO) would like to welcome you to our community of grantees, and congratulate you on your grant award (09-451001). You are now an active participant in the process of working toward the accomplishment of the economic development goals of the State of Illinois, DCEO, and your own organization.

DCEO is the lead state agency responsible for improving Illinois' competitiveness in the global economy. Guided by an innovative regional approach, DCEO administers a wide range of economic and workforce development programs, services and initiatives designed to create and retain high quality jobs and build strong communities. DCEO leads the Illinois economic development process in partnership with businesses, local governments, workers and families.

This "Welcome Package" is intended to provide you with critical information about and requirements of your grant award. Your success in accomplishing the goals and objectives agreed to and stated in your grant agreement is our success in working toward DCEO's economic development mission for the State of Illinois. To assure your success and to provide accountability for the funds entrusted to DCEO, we will review your grant's progress toward the achievement of goals and will provide oversight of grant-related deliverables and expenditures. DCEO will make every effort to provide you with the information and assistance you need to reach your goals and to maintain compliance with your grant responsibilities. It is our hope that you will contact us when you have questions or concerns about complying with the requirements or terms and conditions of the grant agreement.

To facilitate ongoing communication and to provide you with an electronic means to submit your reports, grantees with Internet access are encouraged to use email to submit your reports, documentation and other correspondence. Additional general information is available at the DCEO Office of Accountability's website <http://www.ildceo.net/accountability> to assist you in the management and administration of your grant. Grantees without Internet access will need to use other traditional means of communication with their assigned grant manager.

Once again, we congratulate you on your grant award and look forward to working in partnership with you to achieve our economic development goals.

Sincerely,

Warren Ribley
Director

Internet Address <http://www.commerce.state.il.us>

620 East Adams Street
Springfield, Illinois 62701-1615

217/782-7500
TDD: 800/785-6055

James R. Thompson Center
100 West Randolph Street, Suite 3-400
Chicago, Illinois 60601-3219
312/814-7179
TDD: 800/785-6055

2309 West Main, Suite 118
Marion, Illinois 62959-1180

618/997-4394
TDD: 800/785-6055

Grant Program Contact Information

For Grant Questions, Contact the Grant Manager

Name Carol Kulek
Program Energy Efficiency and Conservation Block Grant
DCEO Bureau Energy & Recycling
Email Carol.Kulek@illinois.gov
Phone 217-785-3412
Fax (217)-785-2618

Address

620 E Adams St
Springfield, IL 62701

For Audit Questions, Contact the Audit Unit

Name Ron Hazelwood
Email externalauditunit@illinois.gov
Phone (217) 524-4845
Fax (217) 558-6971

Address

620 E Adams St
Springfield, IL 62701

For Financial Closeout Questions, Contact the Program Accountant

Name John Oaster
Email John.Oaster@illinois.gov
Phone 217-785-6423
Fax (217) 524-8680

Address

620 E Adams St
Springfield, IL 62701



Revised Report Deliverable Schedule

Grantee Name: Illinois Association of Regional Councils
Revision Date: March 23, 2010
Effective Date: March 23, 2010

Program Name: Energy Efficiency and Conservation Block Grant
DCEO Bureau: Energy & Recycling

Grant Begin Date: 11/01/2009
Grant End Date: 10/31/2011

The Report Deliverable Schedule has been revised with new requirements due to the following:

You are required to comply with this revised schedule and due dates for all upcoming reports, deliverables, milestones, and/or events.

Revised Report and Deliverable Schedule

April 2010

- Quarterly Financial Status Report (04/15/2010) - Covering Period of 01/01/2010 - 03/31/2010; Send To: Grant Manager

April 2010

- Quarterly Financial Status Report (04/15/2010) - Covering Period of 11/01/2009 - 12/31/2009; Send To: Grant Manager

April 2010

- Quarterly Project Status Report (04/15/2010) - Covering Period of 01/01/2010 - 03/31/2010; Send To: Grant Manager

April 2010

- Quarterly Project Status Report (04/15/2010) - Covering Period of 11/01/2009 - 12/31/2009; Send To: Grant Manager

July 2010

- Quarterly Financial Status Report (07/15/2010) - Covering Period of 04/01/2010 - 06/30/2010; Send To: Grant Manager

July 2010

- Quarterly Project Status Report (07/15/2010) - Covering Period of 04/01/2010 - 06/30/2010; Send To: Grant Manager

October 2010

- Quarterly Financial Status Report (10/15/2010) - Covering Period of 07/01/2010 - 09/30/2010; Send To: Grant Manager

October 2010

- Quarterly Project Status Report (10/15/2010) - Covering Period of 07/01/2010 - 09/30/2010; Send To: Grant Manager



January 2011

- Quarterly Financial Status Report (01/17/2011) - Covering Period of 10/01/2010 - 12/31/2010; Send To: Grant Manager

January 2011

- Quarterly Project Status Report (01/17/2011) - Covering Period of 10/01/2010 - 12/31/2010; Send To: Grant Manager

March 2011

- Annual A133 Audit Information (03/31/2011) - Covering Period of 07/01/2009 - 06/30/2010; Send To: Program Auditor

April 2011

- Quarterly Financial Status Report (04/15/2011) - Covering Period of 01/01/2011 - 03/31/2011; Send To: Grant Manager

April 2011

- Quarterly Project Status Report (04/15/2011) - Covering Period of 01/01/2011 - 03/31/2011; Send To: Grant Manager

July 2011

- Quarterly Financial Status Report (07/15/2011) - Covering Period of 04/01/2011 - 06/30/2011; Send To: Grant Manager

July 2011

- Quarterly Project Status Report (07/15/2011) - Covering Period of 04/01/2011 - 06/30/2011; Send To: Grant Manager

November 2011

- End of project Final Project Status Report (11/15/2011) - Covering Period of 11/01/2009 - 10/31/2011; Send To: Grant Manager

November 2011

- Quarterly Financial Status Report (11/15/2011) - Covering Period of 07/01/2011 - 10/31/2011; Send To: Grant Manager

November 2011

- Quarterly Project Status Report (11/15/2011) - Covering Period of 07/01/2011 - 10/31/2011; Send To: Grant Manager

December 2011

- End of grant Final Financial Status Report (12/15/2011) - Covering Period of 11/01/2009 - 10/31/2011; Send To: Grant Manager

April 2012

- Annual A133 Audit Information (04/02/2012) - Covering Period of 07/01/2010 - 06/30/2011; Send To: Program Auditor

April 2013

- Annual A133 Audit Information (04/01/2013) - Covering Period of 07/01/2011 - 06/30/2012; Send To: Program Auditor

What you can find on the Office of Accountability Website

The Office of Accountability website is located at <http://www.ildceo.net/accountability>.

Additional Internet Resources

Helpful on-line links and references to other DCEO websites, Federal Regulations, State of Illinois links, and resources for grants management.

Grant Glossary of Terms and Acronyms

Definitions of terms used throughout the grant cycle, as well as the explanation of commonly-used acronyms.

Grants Monitoring Overview

Explanations of the various types of Monitoring and Reporting, including what you can expect and what types of activities may be involved.

Legal Issues

Legal information with which all grantees must be familiar. Refer to the Accountability Office site to learn more about the Grant Funds Recovery Act, Conflict of Interest, and other important legal issues.

Reporting Requirements

Grantees are required to submit reports to DCEO as outlined in the Welcome Package Reports Deliverable Schedule. The templates for the Quarterly Financial Report and the Quarterly Project Status Report are located at: <http://www.ildceo.net/dceo/Bureaus/Office+of+Accountability/Reporting>. Grantees are required to use these forms when submitting their quarterly status reports to DCEO. Preference is that grantees complete the reports electronically and email to their DCEO contact.

Supporting Documentation Guidelines

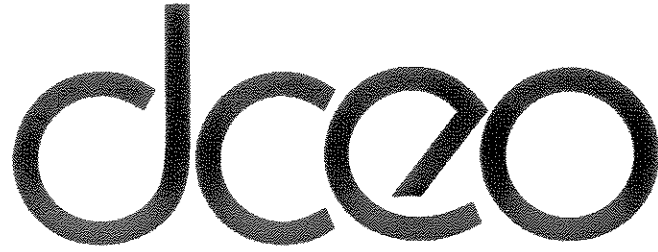
Grantees are required to adhere to the Supporting Documentation Guidelines located at: <http://www.ildceo.net/dceo/Bureaus/Office+of+Accountability/Reporting>. Section I of the Guidelines indicates the supporting documentation that grantees are required to submit with their quarterly status reports. Section II of the Guidelines provides examples of supporting documentation that the grantee is required to maintain onsite or provide at the request of DCEO to support the grant expenditures.

Noncompliance Process

Information on the noncompliance process is located at: <http://www.ildceo.net/dceo/Bureaus/Office+of+Accountability/Noncompliance/>. The site includes information on what grantees should expect if they do not meet the terms and conditions of their grant, and the assistance available to grantees to re-establish compliance. The Legal requirements and processes describe how and when DCEO's legal staff, in accordance with the Grant Funds Recovery Act, become involved when grantees become non-compliant with the terms of their grant agreements.

Requirements of DCEO Grantees

A listing of requirements that you may be required to follow. Certain regulations must be adhered to such as enforcing a Drug-Free Workplace, following the Americans with Disabilities Act, establishing a Policy on Sexual Harassment, and more. You can also find detailed instructions about what a grantee must do to comply, as well as information about the consequences of non-compliance.



ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

2010 MAR 9 PM 2:06

Energy Efficiency and Conservation Block Grant

Grant No. 09-451001

for the

Illinois Association of Regional Councils

Illinois Department of Commerce and Economic Opportunity
620 E. Adams St.
Springfield, IL 62701

**STATE OF ILLINOIS
DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY**

Notice of Grant Award No. 09-451001

This Grant Agreement (hereinafter referred to as the "Agreement") is entered into between the Illinois Department of Commerce and Economic Opportunity (hereinafter referred to as the "Department" or "DCEO") and Illinois Association of Regional Councils (hereinafter referred to as the "Grantee"). Subject to terms and conditions of this Agreement, the Department agrees to provide a Grant in an amount not to exceed \$13,100,760.00 to the Grantee.

Subject to the execution of this Agreement by both parties, the Grantee is hereby authorized to incur costs against this Agreement from the beginning date of 11/01/2009 through the ending date of 10/31/2011, unless otherwise established within Part II Scope of Work. The Grantee hereby agrees to use the Grant Funds provided under the Agreement for the purposes set forth herein and agrees to comply with all terms of this Agreement.

This Agreement includes the following sections, all of which are incorporated into and made part of this Agreement:

Parts:

- I. Budget**
- II. Scope of Work**
- III Grant Fund Control Requirements**
- IV. Terms and Conditions**
- V. General Provisions**
- VI. Certifications**

This grant is federally funded.

Under penalties of perjury, the undersigned certifies that the name, taxpayer information number and legal status listed below are correct.

Name: Illinois Association of Regional Councils

Taxpayer Identification Number:
SSN/FEIN: 362930415

Legal Status:


- Individual (01)
- Sole Proprietor (02)
- Partnership/Legal Corporation (03)
- Corporation (04)
- Not For Profit Corporation (04)
- Medical Corporation (06)
- Governmental (08)

- Estate or Trust (10)
- Pharmacy-Noncoporate (11)
- Nonresident Alien (13)
- Pharmacy/Funeral Home/Cemetery Corp (15)
- Tax Exempt (16)
- Limited Liability Company (select applicable tax classification)
- C - Corporation
- P - Partnership

GRANTEE:

Illinois Association of Regional Councils

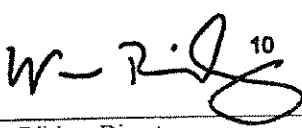
Grantee's execution of this Agreement shall serve as its attestation that Grantee has read, understands and agrees to all provisions of this Agreement and that the information contained in the Agreement is true and correct to the best of his/her knowledge, information and belief and that the Grantee shall be bound by the same. Grantee acknowledges that the individual executing this Agreement is authorized to act on the Grantee's behalf. Grantee further acknowledges that the award of Grant Funds under this Agreement is conditioned upon the above certification/attestation.

By: 
(Authorized Signatory)

3-2-10
Date

Kelly Murray, Executive Director
Name and Title

STATE OF ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

By: 
Warren Ribley, Director

By: 
Anita D. Patel
Chief Financial Officer

3/15/10
Date

Grantee Address:

413 West Monroe
Springfield, IL 62704-1881

Please indicate any address changes below

In processing this grant and related documentation, the Department will only accept materials signed by the Authorized Signatory or Designee of this Agreement, as designated or prescribed herein. If the Authorized Signatory chooses to assign a designee to sign or submit materials required by this Agreement to the Department, the Authorized Signatory must either send written notice to the Department indicating the name of the designee or provide notice as set forth immediately following this paragraph. Without such notice, the Department will reject any materials signed or submitted on the Grantee's behalf by anyone other than the Authorized Signatory. The Authorized Signatory must approve each Authorized Designee separately by signing as indicated below. If an Authorized Designee(s) appears below, please verify the information and indicate any changes as necessary.

The following are designated as Authorized Designee(s) for the Grantee:

Authorized Designee: _____

Authorized Designee Title: _____

Authorized Designee Phone: _____

Authorized Signatory Approval: _____

PART I
BUDGET

| Cost Category Description | Cost Cat | DCEO Budget Amount | Variance % | Variance Limit |
|---------------------------|----------|--------------------|------------|----------------|
| ADMINISTRATION | 1000 | 94,248.00 | 0.00 | 0.00 |
| PURCHASE OF SERVICES | 1010 | 13,006,512.00 | 0.00 | 0.00 |
| | | | | |
| Total | | \$13,100,760.00 | | |

BUDGET LINE ITEM DEFINITIONS

The definitions listed below will help to identify allowable costs for each of the budgeted lines in this Agreement. Any costs not specifically named below should be verified to be allowable by the DCEO grant manager prior to incurring the cost.

ADMINISTRATION

Expenditures incurred for grant management activities directly related to the approved project, including salaries, wages and fringe benefits for program planning, development, monitoring, and evaluation of the grant.

PURCHASE OF SERVICES

Costs associated with technical services and/or subcontractor expenses directly related to the project.

Pass-Through Entity or Subgrantor Responsibilities. If Grantee provides any portion of this funding to another entity through a grant agreement or contract, Grantee is considered to be a pass-through entity or subgrantor. Per Section 5.10(M) of the Agreement, Grantee must obtain written approval before it provides any portion of this funding to another entity through a grant agreement or contract. If the Department provides written approval, the Grantee must adhere to the following for any awards or contracts entered into using the Grant Funds listed above:

- (1) Inform any subrecipient(s) of the proper Federal award identifying information (shown below) as required by Federal regulations contained in OMB Circular A-133.

This Federally funded award is identified by the following:

| | |
|--------------------------------|--|
| CFDA # | 81.128 |
| CFDA Title | Energy Efficiency and Conservation Block Grant Program (EECBG) |
| Award # | DE-EE0000824 |
| Federal Awarding Agency | Department Of Energy |

- (2) Advise any subrecipient(s) of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements which provided this funding. Advise subrecipient(s) of any supplemental requirements imposed by the pass-through entity or subgrantor (your organization).

PART II

SCOPE OF WORK

In consideration for the Grant Funds to be provided by the Department, the Grantee agrees to perform the Project described in Part II (Scope of Work) hereof, in accordance with the provisions of Part I (Budget) hereof.

Background:

In consideration for the Grant Funds to be provided by the Department, the Grantee agrees to perform the Project described in Part II (Scope of Work) hereof, in accordance with the provisions of Part I (Budget) hereof.

Department grant funds shall be used to provide administrative, technical and oversight direction to the Grantee's member and associate member local regional planning agencies as sub grantees. The Grantee will ensure EECBG block grants are administered in an effective and efficient manner to eligible communities in Illinois.

Project Tasks:

1. Coordinate with DCEO staff the development of the EECBG Request for Proposal for ILARC members and associate members.
2. Coordinate with DCEO staff the development of Review Criteria and Scoring mechanism that will be used by ILARC members and associate members to determine award recipients.
3. Ensure all ILARC members and associate members coordinate timely delivery of EECBG Request for Proposals and ensure competitive and open access to all non-entitlement government entities in the members and associate members jurisdiction.
4. Ensure at least 33 percent of grant funds awarded to each ILARC member agency are expended on Energy Efficiency Retrofits and Facilities
5. Conduct three-four mandated statewide training sessions for ILARC members and associate members.
6. Distribute EECBG Request for Proposal (RFP) to ILARC members and associate members.
7. Prepare subgrant agreements for ILARC member and associate members.
8. Provide on-going ARRA/DOE/DCEO EECBG program and policy updates to ILARC members and associate members.

Project Deliverables:

1. EECBG Request for Proposals
2. Submit sign in sheets from mandated statewide training
3. Submit a copy of subgrant agreement prepared by ILARC for all member and associate member agencies. Regular meetings with DCEO Program Manager to summarize status of all sub grants and projects funded under each subgrantee.
4. Submit the Electronic Excel spreadsheet that contains an inventory of all subgrantee's EECBG eligible projects.
5. Provide data required for U.S. DOE quarterly reports:
 - Energy savings (therms)
 - Energy savings (kWh)
 - CO2 (& CO2e) reduced (metric tons)
 - Jobs created
 - Jobs retained

Project Monitoring:

During the term of the Grant Agreement, the Department may schedule periodic site visits and attend workshops and/or classes provided by the Grantee. In addition to written reports, the Grantee shall establish and maintain communication regarding immediate program issues and interim program progress with the Department's project manager through email and phone conversations.

**PART III
GRANT FUND CONTROL REQUIREMENTS**

3.1 AUDITS

- A. Standard Audit If the Grantee is required to have a Standard Audit, the Grantee shall provide the Department with a copy of such audit report, the management letter, and the SAS 114 letter within thirty (30) days of the Grantee's receipt of such audit report, but in no event later than nine (9) months following the end of the period for which the audit was performed. The Audit Report is required to be provided to DCEO any year an audit is performed over the life of the grant.
- B. Federal Requirements If the Grantee is required to have an audit performed pursuant to the Single Audit Act of 1984, as amended in 1996 ("Single Audit Act") and by the Office of Management and Budget Circular A-133 ("OMB Circular A-133"), the Grantee shall provide the Department with a copy of the audit report, the data collection form, the management letter, and the SAS 114 letter, as provided for in the Single Audit Act and OMB Circular A-133, to the Department within thirty (30) days of the Grantee's receipt of such audit report, but in no event later than nine (9) months following the end of the period for which the audit was performed. The Audit Report is required to be provided to DCEO annually for the life of the grant. If no Single Audit is required of federally-funded Grantees, the Grantee is to provide DCEO with an annual letter stating a Single Audit was not required.
- C. Discretionary Audit The Department may, at any time, and at its discretion, request a Grant-Specific Audit or other audit, Management Letter and SAS 114 Letter to be delivered within thirty (30) days of the Grantee's receipt of such audit report, but in no event later than nine (9) months following the end of the period for which the audit was performed.
- D. Audit Performance All Audits shall be performed by an independent certified public accountant or accounting firm licensed by the appropriate licensing body in accordance with applicable auditing standards.
- E. Audit Submission The Grantee shall electronically send all audit reports and related deliverables to the Department at the following address:

externalauditunit@illinois.gov

If the Grantee is unable to submit the aforementioned documents to the Department electronically, the information shall be sent to the Department at the following address:

Illinois Department of Commerce and Economic Opportunity
Office of Accountability
External Audit Section
620 East Adams Street
Springfield, IL 62701

3.2 REPORTING REQUIREMENTS

In addition to any other documents specified in this Agreement, the Grantee must submit the following reports and information in accordance with the provisions hereof.

- A. Expenditures and Project Activity Prior to Grant Execution If the Agreement is executed more than thirty (30) days after the beginning date of the grant term provided in the Notice of Grant Award, the Grantee must submit a Financial Status Report and a Project Status Report, in a format provided by the Department, accounting for expenditures and project activity incurred from the beginning of the grant term up to the end of the month preceding the date of the Department's execution. If these Reports

are required, the Department will not disburse any Grant Funds until the report is submitted to and approved by the Department.

- B. Final Financial Status Report The Final Financial Status Report described in Section 5.3 hereof is due within 45 days following the end date stated in the Notice of Grant Award. The Grantee should refer to the Welcome Package and the Reports Deliverable Schedule for the specific reporting requirements and due dates. Grantee must submit the report in the format provided by the Department. This report must summarize expenditure of the Grant Funds and activities completed during the grant term. The Grantee's failure to comply with the Close-out requirements set forth herein and in Section 5.3 will be considered a material breach of the performance required by this Agreement and may be the basis to initiate proceedings to recover all Grant Funds disbursed to the Grantee. Grantee's failure to comply with this Section shall be considered prima facie evidence of default, and may be admitted as such, without further proof, into evidence before the Department or in any other legal proceeding.
- C. Additional Information Upon request by the Department, the Grantee must, within the time directed by the Department, submit additional written reports regarding the Project, including, but not limited to, materials sufficient to document information provided by the Grantee.
- D. Submittal of Reports Submittal of all reports and documentation required under this Agreement should be submitted to the individual as directed by the Department.
- E. Failure to Submit Reports In the event Grantee fails to timely submit any reports required under this Agreement, the Department may withhold or suspend the distribution of Grant Funds until said reports are filed and approved by the Department.

3.3 WELCOME PACKAGE

Upon execution of this Grant Agreement, the Grantee will receive a Welcome Package detailing reporting requirements and procedures relating to the Grant. The Grantee is obligated to comply with those requirements and any revisions thereto in accordance with Section 3.2(B) of this Grant Agreement.

3.4 FISCAL RECORDING REQUIREMENTS

The Grantee's financial management system shall be structured to provide for accurate, current, and complete disclosure of the financial results of the Project funded under this grant program. The Grantee is accountable for all Grant Funds received under this Grant, including those expended for subgrantees. The Grantee shall maintain effective control and accountability over all Grant Funds, equipment, property, and other assets under the grant as required by the Department. The Grantee shall keep records sufficient to permit the tracing of Grant Funds to a level of expenditure adequate to insure that Grant Funds have not been inappropriately expended, and must have internal controls consistent with generally accepted accounting practices adopted by the American Institute of Certified Public Accountants.

3.5 DUE DILIGENCE IN EXPENDITURE OF FUNDS

Grantee shall ensure that Grant Funds are expended in accordance with the following principles: (i) grant expenditures should be made in accordance with generally accepted sound, business practices, arms-length bargaining, applicable federal and state laws and regulations; (ii) grant expenditures should conform to the terms and conditions of this Agreement; (iii) grant expenditures should not exceed the amount that would be incurred by a prudent person under the circumstances prevailing at the time the decision is made to incur the costs; and (iv) grant accounting should be consistent with generally accepted accounting principles.

3.6 MONITORING

The grant will be monitored for compliance in accordance with the terms and conditions of the Grant Agreement, together with appropriate programmatic rules, regulations, and/or guidelines that the Department promulgates or implements. The Grantee must permit any agent authorized by the

Department, upon presentation of credentials, in accordance by all methods available by law, including full access to and the right to examine any document, papers and records either in hard copy or electronic, of the Grantee involving transactions relating to this grant.

3.7 RECORDS RETENTION

The Grantee is accountable for all Grant Funds received under this Agreement and shall maintain, for a minimum of four (4) years following the Department's final written approval of all required close-outs, unless the Department notifies the Grantee prior to the expiration of the four years that a longer period is required, adequate books, records, and supporting documents, including digital and electronic data, to verify the amount, recipients and uses of all disbursements of Grant Funds passing in conjunction with this Agreement. This Agreement and all books, records and supporting documents related hereto shall be available for inspection and audit by the Department, the Office of Inspector General, the Auditor General of the State of Illinois, the Illinois Attorney General, or any of their duly authorized representative(s), and the Grantee agrees to fully cooperate with any audit performed by the Auditor General or the Department. Grantee agrees to provide full access to all relevant materials and to provide copies of same upon request. Failure to maintain books, records and supporting documents required by this Agreement shall establish a presumption in favor of the Department for the recovery of any Grant Funds paid by the Department under this Agreement for which adequate books, records and supporting documentation are not available to support their purported disbursement or expenditure.

If any of the services to be performed under this Agreement are subcontracted and/or if subgrants are issued/awarded for the expenditure of Grant Funds provided under this Agreement, the Grantee shall include in all such subcontracts and subgrants, a provision that the Department, the Office of Inspector General, and the Auditor General of the State of Illinois, or any of their duly authorized representatives, will have full access to and the right to examine any pertinent books, documents, papers and records of any such subcontractor or subgrantee involving transactions related to this Agreement for a period of four (4) years following the Department's final approval of all required close-outs (financial and/or programmatic), and any such subcontractor shall be governed by the same requirements to which the Grantee is subject under this Agreement.

**PART IV
TERMS AND CONDITIONS**

4.1 AUTHORITY: PURPOSE: REPRESENTATIONS AND WARRANTIES

- A. Authority The Department is authorized to make this grant pursuant to 20 ILCS 1105/3.

The purpose of this authority is as follows:

DCEO is authorized by 20 ILCS 1105/3 to administer for the State any energy programs and activities under federal law, regulation or guidelines.

- B. Purpose: Representations and Warranties The sole purpose of this grant is to fund the Grantee's performance of the Project, described in Part II hereof, during the term of this grant. The Grantee represents and warrants that the grant proposal/application submitted by the Grantee is in all material respects true and accurate; that it is authorized to undertake the obligations set forth in this Agreement and that it has obtained or will obtain and maintain all permits, licenses or other governmental approvals necessary to perform the Project described in Part II.

4.2 PROJECT SCHEDULE; EXTENSIONS

- A. Project Schedule The Grantee must complete the Scope of Work within the grant term. The Department may require the submission of deliverables. Deliverables must be provided as directed by the Department. For purposes of this Agreement, the Grant Period Begin Date shall be the Project Commencement Date and the Grant Period End Date shall be the Project Completion Date unless these dates are clearly identified as distinctly different in the Part II Scope of Work.
- B. Extensions Extensions of the grant term will be granted only for good cause. Grantees requiring an extension of the grant term should submit a written request to the Program Manager prior to the grant expiration date stating the reason for the extension. All extensions must comply with requirements of Section 5.7.

Grantee's failure to adhere to the schedule set forth in Part II may be grounds for suspension or termination of this Agreement pursuant to Section 5.5 herein. Further, failure by the Grantee to comply with the terms and conditions outlined in Part II, or with any additional terms and conditions within the Agreement, may result in the Grantee being deemed ineligible by the Department for future funding.

4.3 PAYMENT AND EXPENDITURE OF GRANT FUNDS

- A. Expenditure of Funds; Right to Refund Payment of the grant amount specified in the Notice of Grant Award shall be made to the Grantee as specified herein. Grant Funds provided under this Agreement must be expended only to perform the tasks set forth in the Scope of Work attached as Part II of this Agreement. In addition to reasons set forth in other sections of this Agreement, the Department will require a refund from Grantee if (i) the total grant expenditures are less than the amount vouchered to the Grantee from the Department pursuant to the Notice of Grant Award; or (ii) Grant Funds have not been expended or legally obligated within the grant term in accordance with Parts I and Part II hereof. If the Department requires a refund under either of the above circumstances, the Grant Funds must be returned to the Department within forty-five (45) days of the end of the grant term or the otherwise effective Grant Agreement termination date.
- B. Payment Provisions; Prior Incurred Costs

Reimbursement

Payments to the Grantee are subject to the Grantee's submission and certification of eligible costs and any documentation as required by the Department. Payment shall be initiated upon the Department's approval of eligible costs and cash amount requested for reimbursement of those costs.

Prior Incurred Costs

Reimbursement of costs incurred prior to the beginning date as specified in the Notice of Grant Award will be allowed only if specifically provided for in the Part II, Scope of Work, as approved by the Department. If not clearly indentified in Part II, Scope of Work, any costs incurred prior to this Agreement will be disallowed.

4.4 GRANT SPECIFIC TERMS/CONDITIONS

4.5 DEPOSIT OF GRANT FUNDS

Grant Funds paid in advance of realized costs must be kept in an interest bearing account and maintained therein until used in accordance with the terms and conditions of this Agreement. The Department may waive this requirement upon a written request from the Grantee; however written Departmental approval must be received before any Grant Funds are kept in a non-interest bearing account. Grantee will be responsible for the payment of interest to the Department at a rate equal to twelve percent (12%) per annum on any of the Grant Funds kept in a non-interest bearing account without prior Departmental written approval.

Any interest earned on these Grant Funds must be accounted for as provided in Section 4.6 of this Agreement. Exceptions to Section 4.5 are not permissible without prior written approval by the Department.

Grant Funds paid in reimbursement of previously paid costs may be kept in a non-interest bearing account at the Grantee's discretion.

4.6 INTEREST EARNED ON GRANT FUNDS

In accordance with federal Uniform Administrative Requirements for Grants and Cooperative Agreements, the Grantee may be allowed to retain a portion of interest earned on Grant Funds awarded under this Agreement, applying the following guidelines:

A. Interest retention limits by entity type

- (1) **Governmental** - Interest earned by units of state or local government on Grant Funds before disbursement of the Grant Funds for activities is not program income and must be returned to the federal Treasury through the Department, except that the unit of state or local government may keep interest amounts of up to \$100 per year for administrative expenses; and
- (2) **Non-governmental** - Interest earned by non-governmental entities on Grant Funds before disbursement of the Grant Funds for activities is not program income and must be returned to the federal Treasury through the Department, except that the non-governmental entities may keep interest amounts of up to \$250 per year for administrative expenses; and

B. Any interest earned in excess of the allowable amount, as calculated in 4.6 A(1) or 4.6 A(2), must be returned as interest to the Department in accordance with the directions provided by the Department in Section 5.3 herein; and

C. All interest earned must be accounted for and reported to the Department in the Final Financial Status Report described in Section 5.3 herein.

4.7 **INTENTIONALLY LEFT BLANK**

4.8 **SUPPORT**

Grantee, through its agents, employees and contractors, will provide all equipment, supplies, services and other items of support which are necessary for the effective performance of the Project, unless the Agreement specifically sets forth items of support to be provided by the Department.

4.9 **OWNERSHIP, USE AND MAINTENANCE OF PERSONAL PROPERTY**

A. **Ownership** Subject to the provisions of this Section 4.9, and the remedies available to the Department as set forth in Section 4.11 below, equipment and material authorized to be purchased with Grant Funds becomes the property of the Grantee. Grantee will maintain an inventory or property control record for all equipment and material purchased with Grant Funds.

B. **Use; Maintenance; Insurance** During the Grant term, the Grantee must:

(1) use equipment and materials acquired with Grant Funds only for the approved Project purposes set forth in Part II; and (2) provide sufficient maintenance on the equipment and materials to permit achievement of the approved Project purposes and maintain, at its own expense, insurance coverage on all equipment and material purchased with Grant Funds, for its full insurable value, against loss, damage and other risks ordinarily insured against by owners or users of similar equipment and material in similar businesses.

C. **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 or material during the grant term without prior written approval of the Department.

4.10 **PUBLIC INFORMATION REQUIREMENTS**

For the duration of the Agreement, the Grantee will prominently acknowledge the participation of the Department in the Project in all press releases, publications and promotional materials presented to the media or otherwise dissemination published concerning the Project. The Grantee must provide the Department with copies of any proposed press releases, publications and promotional materials not less than ten (10) days before these materials are disseminated. Grantee will submit copies of any press releases, publications and promotional materials to the Department's Project Manager.

The Grantee will provide adequate advance notice pursuant to Section 4.12 of promotional events such as open houses, dedications, or other planned publicity events; and will also coordinate in the planning of said events. Any materials or displays to be distributed in connection with the promotional event must be submitted to the Department in advance of publication or dissemination and must prominently acknowledge the Department's participation in the Project.

4.11 **DEPARTMENT REMEDIES**

In addition to any remedies found elsewhere in this Agreement or at law, the Department may elect any of the following remedies in the event this Agreement is terminated pursuant to Section 5.5 herein. Grantee must comply with the Department's direction within 45 days following written notice or demand from the Department.

A. The Department may direct the Grantee to refund all grant moneys disbursed to it under this Agreement;

B. The Department may direct the Grantee to remit an amount equivalent to the "Net Salvage Value" of all equipment or materials purchased with Grant Funds provided under this Agreement. For purposes of this Agreement, "Net Salvage Value" is defined as the amount realized, or that the Parties agree is

likely to be realized from, the sale of equipment or materials purchased with Grant Funds provided under this Agreement at its current fair market value, less selling expenses;

- C. The Department may direct the Grantee to transfer ownership of equipment or material purchased with Grant Funds provided under this Agreement to the Department or its designee.

4.12 NOTICES

Notices and other communications provided for herein shall be given in writing by first class mail, by registered, or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the respective party at the address set forth on the signature page hereto, or to such other authorized designees as the parties may designate in writing from time to time. Grantee is responsible for providing the Department with correct address and contact information for itself and its designees. Any notice to the Grantee shall be deemed to have been provided if sent to the address or contact information on the signature page or to the address of an authorized designee. Notice to the Department is deemed to have been provided at the time it is actually received.

4.13 COMPLAINT PROCESS

In the event of a Grantee complaint, the Department's Administrative Hearing Rules shall govern and said rules can be found at Title 56 Illinois Administrative Code, Section 2605.

4.14 GRANT FUNDS RECOVERY ACT (30 ILCS 705/1, ET SEQ.)

This Agreement is subject to all applicable provisions of the Illinois Grant Funds Recovery Act, including the requirement that any Grant Funds not expended or legally obligated at the expiration or termination of the Grant term must be returned to the Department within 45 days following said expiration or termination. Notwithstanding any provision specified elsewhere in this Agreement regarding the treatment of interest earned on the Grant Funds, any interest earned on Grant Funds that is not expended or legally obligated during the Grant term must also be returned to the Department within 45 days following the expiration or termination of this Agreement.

4.15 GRANT PROJECT MANAGEMENT

All necessary and ordinary communications, submittals, approvals, requests and notices related to the Project shall be submitted to:

Carol Kulek
Illinois Department of Commerce and Economic Opportunity
620 E. Adams St.
Springfield, IL 62701

4.16 FEDERALLY FUNDED GENERAL GRANT PROVISIONS

- A. Lobbying Restrictions The Grantee acknowledges that receipt of Grant Funds under the Agreement may require compliance with Section 319 of Public Law 101-121 (31 U.S.C.A. 1352) regarding the certification and disclosure of lobbying activities with the Federal Government and agrees to comply with those provisions, and all federal rules promulgated by the United States Department of Health and Human Services, the funding source for implementation of programs operated under this Agreement; and will require that this assurance of compliance is part of any sub-agreements executed hereunder.

By executing this Agreement on behalf of the Grantee, the Authorized Signatory hereby certifies, to the best of his or her knowledge and belief, that:

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

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

- B. Debarment The Grantee certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the Agreement by any Federal department or agency.
- C. Environmental Tobacco Smoke Public Law 103-227, Part C. Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Tobacco Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18 if the services are funded by Federal programs either directly or through States or local governments by Federal grant, contract, loan or loan guarantee. This language must be included in all sub-awards containing provisions for children's services.

**PART V
GENERAL PROVISIONS**

5.1 GRANTEE REPRESENTATIONS AND WARRANTIES; GRANTEE GENERAL COVENANTS

- A. Grantee Representations and Warranties In connection with the execution and delivery of this Agreement, the Grantee makes the following representations and warranties to the Department:
- (1) That it has all requisite authority to carry on its business and to execute, deliver and consummate the transactions contemplated by this Agreement;
 - (2) That its employees, agents and officials are competent to perform as required under this Agreement;
 - (3) That it is the real party in interest to this Agreement and is not acting for or on behalf of an undisclosed party;
 - (4) That it has taken all necessary action under its governing documents to authorize the execution and performance of this Agreement under the terms and conditions stated herein;
 - (5) That it has no public or private interest, direct or indirect, and shall not acquire, directly or indirectly any such interest which does or may conflict in any manner with the performance of the Grantee's services and obligations under this Agreement;
 - (6) That no member of any governing body or any officer, agent or employee of the State, is employed by the Grantee or has a financial or economic interest directly in this Agreement, or any compensation to be paid hereunder except as may be permitted applicable statute, regulation or ordinance;
 - (7) That there is no action, suit or proceeding at law or in equity pending, nor to the best of Grantee's knowledge, threatened, against or affecting the Grantee, before any court or before any governmental or administrative agency, which will have a material adverse effect on the performance required by this Agreement;
 - (8) That to the best of the Grantee's knowledge and belief, the Grantee, its principals and key project personnel:
 - (a) Are not presently declared ineligible or voluntarily excluded from contracting with any Federal or State department or agency;
 - (b) Have not within a three-year period preceding this Agreement been convicted of any felony; been convicted of a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; had a civil judgment rendered against them for commission of fraud; been found in violation of Federal or State antitrust statutes; or been convicted of embezzlement, theft, larceny, forgery, bribery, falsification or destruction of records, making false statement, or receiving stolen property; and
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in subparagraph (b) of this certification.

Any request for an exception to the provisions of this paragraph must be made in writing, listing the name of the individual, home address, type of conviction and date of conviction.

- (9) That this Agreement has been duly executed and delivered on behalf of the Grantee and constitutes a legal, valid and binding obligation of the Grantee, enforceable in accordance with its terms, except to the extent that enforcement of any such terms may be limited by
- (a) Applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or
 - (b) Judicial public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce; and performance required under this Agreement; and
- (10) Grantee certifies that it is not currently operating under or subject to any cease and desist order, or subject to any informal or formal regulatory action, and, to the best of Grantee's knowledge, that it is not currently the subject of any investigation by any state or federal regulatory, law enforcement or legal authority. Should it become the subject of an investigation by any state or federal regulatory, law enforcement or legal authority, Grantee shall promptly notify the Department of any such investigation. Grantee acknowledges that should it later be subject to a cease and desist order, Memorandum of Understanding, or found in violation pursuant to any regulatory action or any court action or proceeding before any administrative agency, that the Department is authorized to declare Grantee in default of this Agreement and suspend or terminate the Agreement pursuant to Section 5.5.

B. General Covenants In connection with the execution and delivery of this Agreement, the Grantee makes the following covenants to the Department, which are in addition to any specific covenants contained in this Agreement:

- (1) That it will use Grant Funds only for the purposes set forth in the Budget and Scope of Work, Parts I and II, respectively, of this Agreement;
- (2) That all warranties and representations made by the Grantee in this Agreement shall be true, accurate and complete for the term of the Agreement;
- (3) That it shall be subject to, obey, and adhere to any and all federal, state and local laws, statutes, ordinances, rules, regulations and executive orders as are now or may be in effect during the term of this Agreement which may be applicable to the Grantee;
- (4) That it shall remain solvent and able to pay its debts as they mature. In the event of bankruptcy filing by the Grantee, voluntary or involuntary, the Department may decline to make any further payment, which may otherwise be required under this Agreement;
- (5) That it shall immediately notify the Department of any and all events or actions that may materially adversely affect its ability to carry on its operations or perform any or all of its obligations under this Agreement; and
- (6) That it shall not enter into any other agreement or transaction that would conflict with the performance of its duties hereunder.

5.2 APPROPRIATION; NONAPPROPRIATION/INSUFFICIENT APPROPRIATION; REDUCED FUNDING SOURCES/REVENUES

A. Appropriation The Grantee is hereby given actual knowledge that pursuant to the State Finance Act, 30 ILCS 105/30, payments under this grant are contingent upon the existence of a valid appropriation therefore and that no officer shall contract any indebtedness on behalf of the State, or assume to bind the State in an amount in excess of the money appropriated, unless expressly authorized by law.

- B. Non-appropriation/Insufficient Appropriation Payments pursuant to this Agreement are subject to the availability of applicable federal and/or state funding from the Department and their appropriation and authorized expenditures under State law. The Department shall use its best efforts to secure sufficient appropriations to fund this Agreement. However, the Department's obligations hereunder shall cease immediately, without penalty or further payment being required, if the Illinois General Assembly or federal funding source fails to make an appropriation sufficient to pay such obligation. The Department, at its sole discretion, shall determine whether amounts appropriated are sufficient to continue its obligations under this Agreement. Termination resulting from non-appropriation or insufficient appropriation shall be in accordance with Section 5.5(A)(1) hereof. Any grant is void by operation of law if the Department fails to obtain the requisite appropriation to pay the grant in any year in which this Agreement is in effect.
- C. Reduced Funding Sources/Revenues The Department reserves the right to reduce the amount to be paid to Grantee under this Agreement if the Department determines that it is in the best interest of the State of Illinois to reduce its obligation under this Agreement as a result of the occurrence of any of the following events during the term of the Agreement:
- (1) Receipts from revenues which provide the funding for this Agreement either fall significantly short of anticipated levels, or significantly decrease, or
 - (2) Other sources (external grants, contracts, awards, etc.) providing funds for this Agreement are decreased or withdrawn. If such an event occurs, the Department will notify the Grantee as soon as possible. If the Department and Grantee are able to agree on a reduced compensation amount and a corresponding reduced scope of services, the parties shall execute a grant modification so stating. If the Department and Grantee are unable to agree on the reduced compensation and reduced scope of services, the Department shall terminate the Grant in accordance with the provisions of Section 5.5(A)(2) herein.

5.3 GRANT CLOSE-OUT

- A. Final Financial Status Report In addition to any other reporting requirements specified in this Agreement, the Grantee shall complete and submit a Final Financial Status Report on forms provided by the Department, within forty-five (45) days of the earlier of the Grant Period end date or the effective date of termination of this Agreement. The Grantee should refer to the Welcome Package and the Reports Deliverable Schedule for the specific reporting requirements and due dates. The Grantee must report on the expenditure of Grant Funds provided by the State, and if applicable, the Grantee's required matching funds. The Grantee is responsible for taking the necessary steps to correct any deficiencies disclosed by such Final Financial Status Report, including such action as the Department, based on its review of the report, may direct.
- B. Grant Refunds In accordance with the Illinois Grant Funds Recovery Act, 30 ILCS 705/1, et seq., the Grantee must, within forty-five (45) days of the earlier of the Grant Period end date or the effective date of termination of this Agreement, refund to the Department, any balance of Grant Funds not spent or not obligated as of said date.

5.4 DEFAULT AND REMEDIES

The occurrence of any of the following events, during the grant term, shall constitute a default:

- A. Grantee shall fail to observe or perform any covenant or agreement contained in this Agreement, including the Exhibits hereto;
- B. Any representation, warranty, certificate or statement made by the Grantee in this Agreement, including the Exhibits hereto, or in any certificate, report, financial statement or other document delivered pursuant to this Agreement shall prove to have been incorrect when made in any material respect;

- C. Grantee shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing;
- D. An involuntary case or other proceeding shall be commenced against the Grantee seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceedings shall remain undismitted and unstayed for a period of 60 days; or an order for relief shall be entered against the Grantee under the federal bankruptcy laws as now or hereby after in effect;
- E. The Grantee permanently ceases the conduct of active trade or business at the location specified in Part II, Scope of Work, for any reason, including, but not limited to, fire or other casualty;
- F. Company fails to provide the Company Contribution, if applicable, as identified in Part II, Scope of Work;
- G. Grantee defaults on a loan from a third party. Grantee shall provide the Department with immediate notice upon making a determination that it will default on a loan.

Grantee shall have 30 days from the date Department notifies it of the occurrence of a default to cure the default to Department's satisfaction. Grantee's failure to cure, or to initiate a cure which is satisfactory to the Department, shall be a sufficient basis for the Department to terminate this Agreement and to direct Grantee to refund all Grant Funds disbursed to it by the Department within thirty (30) days of receipt of the notice of termination.

At the Department's discretion the Grantee shall be responsible for the payment of interest at a rate equal to twelve percent (12%) per annum for any amount of the Grant Funds which it has not refunded to the Department beginning thirty (30) days from the date the termination notice is sent by the Department and continuing to the date that all Grant Funds are refunded by Grantee or recovered through other legal processes available to the Department.

5.5 TERMINATION; SUSPENSION

- A. This Agreement may be terminated as follows:
 - (1) Non-appropriation, Insufficient Appropriation In the event of non-appropriation or insufficient appropriation as described in Section 5.2(B) above, Grantee shall be paid for non-cancelable, allowable expenditures incurred in the performance of authorized services under this Agreement prior to the effective date of termination which shall be the date stated in the written termination notice provided to Grantee. The Department shall provide such notice to Grantee as soon as possible after it becomes aware of such non-appropriation or insufficient appropriation. Any refunds due the Department shall be submitted in accordance with the provisions of Section 5.3(B) hereof.
 - (2) Reduced Funding Sources/Revenues In the event the parties are unable to agree on a reduced amount of compensation and scope of services necessitated due to a reduction in revenues or other funding sources for this Agreement as described in Section 5.2(C) above, Grantee shall be paid for non-cancelable, allowable expenditures incurred in the performance of authorized services under

this Agreement prior to the effective date of termination which shall be the date stated in the written termination notice provided to Grantee. Any refunds due the Department shall be submitted in accordance with the provisions of Section 5.3(B) hereof.

For Cause If the Department determines that the Grantee has failed to comply with any of the covenants, terms, conditions or provisions of this Agreement, or any other application, proposal or grant award executed by the Department and the Grantee, including any applicable rules or regulations, or has made a false representation or warranty in connection with the receipt of the grant, the Department may terminate this Agreement in whole or in part at any time before the expiration date of this Agreement. The Department shall notify the Grantee in writing of the reasons for the termination and the effective date of the termination. Grantee shall not incur any costs after the effective date of the termination. Payments made to the Grantee or recovery by the Department shall be in accord with the legal rights and liabilities of the parties.

In the event of termination for cause, Grantee shall also be subject to any other applicable provisions specified elsewhere in this Agreement.

Termination for cause may render the Grantee ineligible for consideration for future grants from the Department for a period not to exceed two (2) years.

- (3) For Convenience The Grantee acknowledges that this grant was made by the Department based on its determination that the activities to be funded under this Agreement are in furtherance of either the Department's statutory requirements or its program objectives. The Grantee further acknowledges that the Department may unilaterally terminate this Agreement based on its good faith determination that the continued expenditure of Grant Funds under this Agreement is no longer in furtherance of said statutory requirements or program objectives. Termination for convenience shall be effective upon delivery of notice to Grantee pursuant to Section 5.10(F) hereof. The Grantee shall not incur new obligations after the effective date of the termination, and shall cancel as many outstanding obligations as possible. The Department shall allow full credit to the Grantee for properly incurred expenditures made in connection with the Grant in accordance with the provisions of Part I (Budget) and Part II (Scope of Work). Grant refunds shall be submitted in accordance with the provisions of Section 5.3(B) hereof.

- B. Suspension If the Grantee fails to comply with the specific conditions and/or general terms and conditions of this Agreement, the Department may, upon written notice to the Grantee, suspend this Agreement, withhold further payments and prohibit the Grantee from incurring additional obligations of Grant Funds, pending corrective action by the Grantee or a decision to terminate this Agreement. The Department may determine to allow such necessary and proper costs, which the Grantee could not reasonably avoid during the period of suspension provided that the Department agrees that such costs were necessary and reasonable and incurred in accordance with the provisions of this Agreement.

5.6 INDEMNIFICATION

- A. Non-Governmental Entities The Grantee agrees to assume all risk of loss and to indemnify and hold the State, its officers, agents and employees, harmless from and against any and all liabilities, demands, claims, suits, losses, damages, causes of action, fines or judgments including costs, attorneys' and witnesses' fees, and expenses incident thereto, relating to bodily injuries to persons (including death) and for loss of, damage to, or destruction of real and/or tangible personal property (including property of the State) resulting from the negligence or misconduct of Grantee, its employees, agents, or subcontractors or subgrantees in the performance of this Agreement. Grantee shall do nothing to prejudice the State's right to recover against third parties for any loss, destruction or damage to State property and shall, at the State's request and expense, furnish to the State reasonable assistance and cooperation including assistance in the prosecution of suit and the execution of instruments of assignment in favor of the State in obtaining recovery.

The Grantee shall, at its expense, defend the State against all claims asserted by any person that anything provided by Grantee infringes a patent, copyright, trade secret or other intellectual property right and shall, without limitation, pay the costs, damages and attorneys' fees awarded against the State in any such action, or pay any settlement of such action or claim. Each party agrees to notify the other promptly of any matters to which this provision may apply and to cooperate with each other in connection with such defense or settlement.

- B. Governmental Entities In the event that the Grantee is a Governmental Entity, it will indemnify and hold harmless the Department as set out herein to the extent authorized by Federal and/or State constitutions(s) and/or laws.

5.7 **MODIFICATION BY OPERATION OF LAW: BUDGET MODIFICATIONS; DISCRETIONARY MODIFICATIONS**

- A. Modifications by Operation of Law This Agreement is subject to such modifications as the Department determines may be required by changes in Federal or State law or regulations applicable to this Agreement. Any such required modification shall be incorporated into and become part of this Agreement as if fully set forth herein. The Department shall timely notify the Grantee of any pending implementation of or proposed amendment to such regulations of which it has notice.
- B. Budget Modifications Grantee must expend the Grant Funds in accordance with the approved budget set forth in Part I hereof. If the Grantee determines that its expenditures for the grant term will vary from the amounts listed in the approved project budget it must submit a written request for approval from the Department prior to incurring the revised costs. Said request must give the reasons for and amounts of the revisions. If the Department approves the revised expenditures, it will provide the Grantee with a revised Project Budget incorporating the revisions. Grantee's failure to obtain written approval for anticipated budget revisions is a sufficient reason for the Department to disallow any costs not included in the original project budget and require a refund from the Grantee.

The Grantee may make a line item transfer up to the allowable variance percentage/amount of the total approved line item budget as specified in Part I Budget without prior written approval of the Department, subject to the following conditions:

- (1) Modifications Requiring Departmental Approval If the Grantee determines that its expenditures will vary from the approved budgeted line item amounts listed in Part I Budget by more than the allowable variance percentage/amount for any given line item expenditure, but will not exceed the total grant award, it shall submit a written request for approval from the Department prior to incurring the revised costs. Modification requests shall give the reasons for and amounts of the revisions. If the Department approves the revised expenditures, it will provide the Grantee with a revised project Part I Budget incorporating the revisions. Grantee's failure to obtain written approval for anticipated budget revisions shall be deemed sufficient for the Department to disallow any costs not included in the original project budget and require a refund from the Grantee.
 - (2) Discretionary Transfers Transfers between approved line items that do not exceed the allowable variance percentage/amount of the original approved budget line item may be made at the Grantee's discretion without the Department's approval. For purposes of the allowable discretionary transfer(s), the line item to which the transfer is made cannot be increased by more than the allowable variance percentage/amount of the original approved line item. Additionally, the allowable discretionary transfer does not apply to an Audit line item (if present). Any and all modifications to an existing Audit line item may only be made with the Department's prior written approval.
- C. Discretionary Modifications If either the Department or the Grantee wishes to modify the terms of this Agreement other than as set forth in Sections 5.7(A) and 5.7(B) above, written notice of the proposed

modification must be given to the other party. Modifications will only take effect when agreed to in writing by both the Department and the Grantee. However, if the Department notifies the Grantee in writing of a proposed modification, and the Grantee fails to respond to that notification, in writing, within thirty (30) days, the proposed modification will be deemed to have been approved by the Grantee. In making an objection to the proposed modification, the Grantee shall specify the reasons for the objection and the Department shall consider those objections when evaluating whether to follow through with the proposed modification. The Department's notice to the Grantee shall contain the Grantee name, Grant number, modification number, purpose of the revision and signature of the Department's Director.

- D. Unilateral Modifications The parties agree that the Department may unilaterally modify this Agreement without prior approval of the Grantee when the modification is initiated by the Department for the sole purpose of increasing the Grantee's funding allocation as additional funds become available for the grant during the program year covered by the term of this Agreement. The parties further agree that the thirty (30) day period for objection described in Section 5.7(C) above does not apply to the unilateral modification authority described in Section 5.7(D).
- E. Management Waiver The parties agree that the Department may issue a waiver of specific requirements of this Agreement after the term of the Agreement has expired. These waivers are limited to requirements relating to the Grantee's compliance with existing audit requirements in the Agreement, retention of interest earned by the Grantee on Grant Funds, variances to budgetary line items, non-material changes to the Scope of Work in Part II, and any other non-material changes to specific grant terms that the Department determines are necessary to place the Grantee in administrative compliance with the terms of this Agreement. A management waiver issued after the term of the Agreement has expired will supersede the original requirements of this Agreement that would normally require a modification of this Agreement to be executed. The Department will make no modifications of this Agreement not agreed to prior to the expiration of the Agreement beyond what is specifically set forth in this section.
- F. Term Extensions The Grantee acknowledges that all Grant Funds must be expended or legally obligated during the grant term set forth in the Notice of Grant Award. Pursuant to the Grant Funds Recovery Act (30 ILCS 705/1 et. seq.), no grant term may be extend beyond a two-year period unless the Grant Funds are expended or legally obligated during that initial two-year period, or unless Grant Funds are disbursed in reimbursement of costs previously incurred by the grantee.

5.8 **CONFLICT OF INTEREST; INTEREST OF PUBLIC OFFICIALS/ EMPLOYEES; BONUS/COMMISSION PROHIBITED; HIRING OF STATE EMPLOYEES PROHIBITED; DUE DILIGENCE IN EXPENDITURE OF GRANT FUNDS**

- A. Conflict of Interest A conflict of interest exists if a Grantee's officers, directors, agents, employees and family members use their position for a purpose that is, or gives the appearance of, being motivated by a desire for a private gain, financial or nonfinancial, for themselves or others, particularly those with whom they have family business or other ties. The Grantee must establish safeguards to prohibit such a conflict of interest from occurring. Safeguards, evidenced by rules or bylaws, shall also be established to prohibit persons from engaging in actions, which create or which appear to create a conflict of interest as described herein.

The Grantee must immediately notify the Department in writing of any actual or potential conflicts of interest, as well as any actions that create or which appear to create a conflict of interest.

- B. Interest of Public Officials/Employees

- (1) Governmental Entity If the Grantee is a governmental entity, the Grantee certifies that no conflict of interest as defined in Section 5.8A exists. Further, Grantee certifies that no officer or employee of the Grantee and no member of its governing body and no other public official of the locality in which the program objectives will be carried out who exercises any functions or responsibilities in

the review or approval of the undertaking or carrying out of such objectives shall participate in any decision relating to any contract negotiated under a program grant which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested, or has any financial interest, direct or indirect, in such contract or in the work to be performed under such contract.

- (2) Nongovernmental Entity If the Grantee is a nongovernmental entity, the Grantee certifies that no conflict of interest as defined in Section 5.8A exists. If such a conflict or appearance thereof exists or arises, the Grantee must provide immediate notification to the Department as provided in Section 5.8A. The Department may, in its discretion, issue Grant Funds if it determines that appropriate safeguards are in place and that it is in the best interest of the State to proceed.

Violations of Section 5.8 may result in suspension or termination of this Agreement, and recovery of Grant Funds provided hereunder. Violators may also be criminally liable under other applicable State or Federal laws and subject to actions up to and including felony prosecution.

- C. Bonus or Commission Prohibited The Grantee shall not pay any bonus or commission for the purpose of obtaining the grant awarded under this Agreement.
- D. Hiring State Employees Prohibited No State officer or employee may be hired to perform services under this Agreement, or be paid with Grant Funds derived directly or indirectly through this grant without the written approval of the Department.

5.9 APPLICABLE STATUTES

- A. Grantee Responsibility All applicable Federal, State and local laws, rules and regulations governing the performance required by Grantee shall apply to this Agreement and will be deemed to be included in this Agreement the same as though written herein in full. Grantee is responsible for ensuring compliance with all applicable laws, rules and regulations, including, but not limited to those specifically referenced herein. Except where expressly required by applicable laws and regulations, the Department shall not be responsible for monitoring Grantee's compliance.
- B. Land Trust/Beneficial Interest Disclosure Act (765 ILCS 405/2.1) No grant award Grant Funds shall be paid to any trustee of a land trust, or any beneficiary or beneficiaries of a land trust, for any purpose relating to the land, which is the subject of such trust, any interest in such land, improvements to such land or use of such land unless an affidavit is first filed with the Department identifying each beneficiary of the land trust by name and address and defining such interest therein.
- C. Historic Preservation Act (20 ILCS 3420/1 et seq.) The Grantee will not expend Grant Funds under this Agreement which result in the destruction, alteration, renovation, transfer or sale, or utilization of a historic property, structure or structures, or in the introduction of visual, audible or atmospheric elements to a historic property, structure or structures, which will result in the change in the character or use of any historic property, except as approved by the Illinois Historic Preservation Agency.
- D. State of Illinois Discrimination Laws (775 ILCS 5/1-101 et seq.) In carrying out the performance required under this Agreement, the Grantee shall comply with all applicable provisions of the Illinois Human Rights Act, and rules and regulations promulgated by the Illinois Department of Human Rights, prohibiting unlawful discrimination in employment. Grantee's failure to comply with all applicable provisions of the Illinois Human Rights Act, or applicable rules and regulations promulgated thereunder, may result in a determination that Grantee is ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and this Agreement may be canceled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation.
- E. Drugfree Workplace Act (30 ILCS 580/1 et seq.) Grantee will make the certification required in this Agreement and will comply with all of the provisions of the Drugfree Workplace Act that are

applicable to the Grantee. False certification or violation of the requirements of the Drugfree Workplace Act may result in sanctions including, but not limited to, suspension of grant payments, termination of this Agreement and debarment of contracting or grant opportunities with the State for at least one (1) year but not more than five (5) years.

- F. Freedom of Information Act (5 ILCS 140/1 et seq.) Applications, programmatic reports and other information obtained by the Department under this Agreement shall be administered pursuant to the Freedom of Information Act.
- G. Prevailing Wage Act (820 ILCS 130/0.01 et seq.) All projects for the construction or demolition of fixed works which are financed in whole or in part with bonds, grants, loans, or other funds made available by or through the State or any of its political subdivisions; including the Grant Funds provided by this Agreement shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01) unless the provisions of that Act exempt its application. In implementing the project, the Grantee shall comply with the requirements of the Prevailing Wage Act, including, but not limited to, inserting into all contracts for such construction or demolition a stipulation to the effect that not less than the prevailing rate of wages as applicable to the project shall be paid to all laborers, workers and mechanics performing work under the contract 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. If the Grantee has awarded work without a contract, it shall provide the aforementioned written notice to the contractor on a separate document. The provisions of the Prevailing Wage Act apply to both contractors and sub-contractors performing work on any project funded by this grant.
- H. Victims Economic Security and Safety Act (820 ILCS 180 et seq.) If the Grantee has 50 or more employees, it may not discharge or discriminate against an employee who is a victim of domestic violence, or who has a family or household member who is a victim of domestic violence, for taking up to a total of twelve (12) work weeks of leave from work during any twelve month period to address the domestic violence, pursuant to the Victims Economic Security and Safety Act. The Grantee is not required to provide paid leave under the Victims Economic Security and Safety Act, but may not suspend group health plan benefits during the leave period. Any failure on behalf of the Grantee to comply with all applicable provisions of the Victims Economic Security and Safety Act, or applicable rules and regulations promulgated thereunder, may result in a determination that the Grantee is ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and this Agreement may be cancelled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked, as provided by Statute or regulation.
- I. Equal Pay Act of 2003 (820 ILCS 112 et seq.) If the Grantee has four or more employees, it is prohibited by the Equal Pay Act of 2003 from paying unequal wages to men and women for doing the same or substantially similar work. Further, the Grantee is prohibited by the Equal Pay Act of 2003 from remedying violations of the Act by reducing the wages of other employees or discriminating against any employee exercising his/her rights under this Act. Any failure on behalf of the Grantee to comply with all applicable provisions of the Equal Pay Act of 2003, or applicable rules and regulations promulgated thereunder, may result in a determination that the Grantee is ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and this Agreement may be cancelled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked, as provided by Statute or regulation.
- J. Steel Products Procurement Act (30 ILCS 565 et seq.) The grantee, if applicable, hereby certifies that any steel products used or supplied in accordance with this grant for a public works project shall be manufactured or produced in the United States per the requirements of the Steel Products Procurement Act (30 ILCS 565 et seq.).

5.10 MISCELLANEOUS PROVISIONS

- A. Independence of Grantee Personnel All technical, clerical, and other personnel necessary for the performance required by this Agreement shall be employed by or contracted with Grantee, and shall in all respects be subject to the rules and regulations of Grantee governing its employees. Neither Grantee nor its personnel shall be considered to be the agents or employees of the Department.
- B. Grantor Authority The Department and its payroll employees, when acting pursuant to this Agreement, are acting as State officials in their official capacity and not personally or as the agents of others.
- C. Governing Law This Grant is awarded in the State of Illinois for execution within the State of Illinois. This Agreement shall be governed by and construed according to Illinois law.
- D. Worker's Compensation Insurance, Social Security, Retirement and Health Insurance Benefits, and Taxes The Grantee shall provide Worker's Compensation insurance where the same is required and shall accept full responsibility for the payment of unemployment insurance, premiums for Workers' Compensation, Social Security and retirement and health insurance benefits, as well as all income tax deduction and any other taxes or payroll deductions required by law for its employees who are performing services specified by this Agreement.
- E. Delivery of Grantee Payments Payment to the Grantee under this Agreement shall be made payable in the name of the Grantee and sent to the person and place specified in the Notice of Grant Award. The Grantee may change the person to whom payments are sent, or the place to which payments are sent by written notice to the Department signed by the Grantee, that complies with the requirements of Section 5.10(F) below. No such change or payment notice shall be binding upon the Department until ten (10) business days after actual receipt.
- F. Notice Any notice, demand, or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth in the Notice of Grant Award by any of the following means: (a) personal service, (b) electronic communication, whether by telex, telegram or telecopy, (c) overnight courier, or (d) registered or certified first class mail, postage prepaid, return receipt requested. Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means, respectively. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received five (5) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

The Grantee acknowledges and agrees that its address set forth in the Notice of Grant Award is its current address and shall be considered its last known address for purposes of receiving any and all notice(s) required under this Agreement. The Grantee further acknowledges and agrees that the Department is justified in relying upon the address information furnished to it by the Grantee in absence of notice to the contrary. The Grantee also acknowledges and agrees that it has the burden of notifying the Department of its current/last known address. In the event that the Grantee changes its current address, it shall contact its Program Manager and notify him/her of said change of address and a formal modification will be executed.

- G. Required Notice Grantee agrees to give prompt notice to the Department of any event that may materially affect the performance required under this Agreement. Any notice or approval relating to Section 5.5 (Termination), Section 5.7C (Discretionary Modifications), Section 5.7E (Waivers), and Section 5.10I (Assignment) must be executed by the Director of the Department or her/his authorized designee.
- H. Modifications A modification of any condition of this Agreement must be requested in writing. No modification of any condition of this Agreement may be effective unless in writing from and signed by the Director of the Department.

- I. Assignment The benefits of this Agreement and the rights, duties and responsibilities of the Grantee under this Agreement may not be assigned (in whole or in part) except with the express written approval of the Department acting through its Director. Any assignment by the Grantee in violation of this provision renders this Agreement voidable by the Department.
- J. Severability Clause If any provision under this Agreement or its application to any person or circumstances is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision or its application of this Agreement, which can be given effect without the invalid provision or application.
- K. Integration Clause This Agreement, with attachments, as written, is the full and complete agreement between the parties and there are no oral agreements or understandings between the parties other than what has been reduced to writing herein.
- L. Comptroller Filing Notice The Grantee expressly understands that whenever applicable, a copy of this Agreement and any modification, cancellation or renewal is required to be filed by the Department with the State Comptroller.
- M. Subcontract and Grants The Grantee's services, duties and responsibilities specified herein shall not be subcontracted or subgranted by the Grantee without prior written approval of the Department, unless such subcontracts or subgrants are provided for elsewhere in this Agreement. Any subcontracts or subgrants shall be subject to, and conform with, all applicable State and Federal laws, and shall specifically provide that subcontractors or subgrantees are subject to all of the terms and conditions of this Agreement. For the Department to approve the use of any subcontract or subgrant, the Grantee must employ an open, impartial and reasonably competitive selection process.
- N. Attorney Fees and Costs If the Department is the prevailing party in any proceeding to enforce the terms of this Agreement, the Department has the right to recover reasonable attorney fees, costs and expenses associated with recovering the Grant Funds.

**PART VI
STATE OF ILLINOIS REQUIRED
CERTIFICATIONS**

The Grantee makes the following certifications as a condition of this Agreement. These certifications are required by State statute and are in addition to any certifications required by any Federal funding source as set forth in this Agreement. Grantee's execution of this Agreement shall serve as its attestation that the certifications made herein are true and correct.

6.1 COMPLIANCE WITH APPLICABLE LAW

The Grantee certifies that it shall comply with all applicable provisions of Federal, State and local law in the performance of its obligations pursuant to this Agreement.

6.2 CONFLICT OF INTEREST

The Grantee certifies that it has no public or private interest, direct or indirect, and shall not acquire directly or indirectly any such interest which does or may conflict in any manner with the performance of Grantee's services and obligations under this Agreement.

6.3 BID-RIGGING/BID-ROTATING

The 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 Section 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33 E-3 and 5/33 E-4).

6.4 DEFAULT ON EDUCATIONAL LOAN

The Grantee certifies that this Agreement is not in violation of the Educational Loan Default Act (5 ILCS 385/3) prohibiting certain contracts to individuals who are in default on an educational loan.

6.5 AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act (ADA) (42 U.S.C. 12101 et. seq.) and the regulations thereunder (28 CFR 35.130) prohibit discrimination against persons with disabilities by the State, whether directly or through contractual arrangements, in the provision of any aid, benefit or service. As a condition of receiving this grant, the Grantee certifies that services, programs and activities provided under this Agreement are, and will continue to be, in compliance with the ADA.

6.6 DRUGFREE WORKPLACE ACT

The Grantee certifies that:

- A) It is a Corporation, Partnership, or other entity (other than an individual) **with 24 or fewer employees** at the time of execution of this Agreement.
- B) That the purpose of this grant is to fund solid waste reduction.
- C) It is a Corporation, Partnership, or other entity (other than an individual) **with 25 or more employees** at the time of execution of this Agreement, or
- D) That it is an individual.

If Option "A" or "B" is checked this Agreement is not subject to the requirements of the Act.

If Option "C" or "D" is checked and the amount of this grant is five thousand dollars (\$5,000.00) or more, the Grantee is notified that the Drugfree Workplace Act (30 ILCS 580/1 et seq.) is applicable to this Agreement, and the Grantee must comply with the terms of said Act, as set forth below:

Grantee will provide a drugfree workplace by:

- (a) Publishing a statement:
 - (i) Notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance, including cannabis, is prohibited in the Grantee's workplace.
 - (ii) Specifying the actions that will be taken against employees for violations of such prohibition.
 - (iii) Notifying the employee that, as a condition of employment on such grant, the employee will:
 - (A) abide by the terms of the statement; and
 - (B) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- (b) Establishing a drug free awareness program to inform employees about:
 - (i) the dangers of drug abuse in the workplace;
 - (ii) the Grantee's policy of maintaining a drug free workplace;
 - (iii) any available drug counseling, rehabilitation and employee assistance programs; and
 - (iv) the penalties that may be imposed upon an employee for drug violations.
- (c) Providing a copy of the statement required by subparagraph (a) to each employee engaged in the performance of the grant and to post the statement in a prominent place in the workplace.
- (d) Notifying the granting agency within ten (10) days after receiving notice, under part (B) of paragraph (iii) of subsection (a) above, from an employee or otherwise receiving actual notice of such conviction.
- (e) Imposing a sanction on, or requiring the satisfactory participation in, a drug abuse assistance or rehabilitation program by any employee who is so convicted, as required by Section 5 of the Drugfree Workplace Act, 30 ILCS 580/5.
- (f) Assisting employees in selecting a course of action in the event drug counseling, treatment and rehabilitation are required and indicating that a trained referral team is in place.
- (g) Making a good faith effort to continue to maintain a drugfree workplace through implementation of the Drugfree Workplace Act, 30 ILCS 580/5.

If Grantee is an individual, it certifies that it will not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of this Agreement.

6.7 ANTI-BRIBERY

The Grantee certifies that neither it nor its employees have been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois, nor has Grantee or any of its employees made an admission

of guilt of such conduct which is a matter of record as defined in the Illinois Procurement Code (30 ILCS 500/50-5).

6.8 DISCRIMINATION/ILLINOIS HUMAN RIGHTS ACT

The Grantee certifies (i) that it will not commit unlawful discrimination in employment in Illinois as that term is defined in Article 2 of said Act; (ii) that it will comply with the provisions of Article 5 of the Act regarding equal employment opportunities and affirmative action; and, (iii) that it will comply with policies and procedures established by the Department of Human Rights under Article 7 of the Act regarding equal employment opportunities and affirmative action.

The Grantee further certifies that, if applicable, it will comply with "An Act to prohibit discrimination and intimidation on account of race, creed, color, sex, religion, physical or mental handicap unrelated to ability or national origin in employment under contracts for public buildings or public works." (775 ILCS 10/0.01 et seq.)

6.9 SEXUAL HARASSMENT

The Grantee certifies that it has written sexual harassment policies that shall include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the Grantee's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and the Human Rights Commission; (vi) directions on how to contact the Department and Commission; and (vii) protection against retaliation as provided by Section 6-101 of the Illinois Human Rights Act (775 ILCS 5/2-105 (B)(5)). A copy of the policies shall be provided to the Department upon request.

6.10 INTERNATIONAL ANTI-BOYCOTT CERTIFICATION

The Grantee hereby certifies that neither the Grantee nor any substantially owned affiliate company of the Grantee is participating or will participate in an international boycott, as defined by the provisions of the U.S. Export Administration Act of 1979, or as defined by the regulations of the U.S. Department of Commerce, promulgated pursuant to that Act (30 ILCS 582/1 et seq.).

6.11 FEDERAL, STATE AND LOCAL LAWS; TAX LIABILITIES; STATE AGENCY DELINQUENCIES

The Grantee is required to comply with all federal, state and local laws, including but not limited to the filing of any and all applicable tax returns. In the event that a Grantee is delinquent in filing and/or paying any federal, state and/or local taxes, the Department shall disburse Grant Funds only if the Grantee enters into an installment payment agreement with said tax authority and remains in good standing therewith. Grantee is required to tender a copy of any such installment payment agreement to the Department. In no event may Grantee utilize Grant Funds to discharge outstanding tax liabilities or other debts owed to any governmental unit. **The execution of this Agreement by the Grantee is its certification that (i) it is current as to the filing and payment of any federal, state and/or local taxes applicable to Grantee; and (ii) it is not delinquent in its payment of moneys owed to any federal, state, or local unit of government.**

6.12 PROHIBITION OF GOODS DERIVED FROM CHILD LABOR

The Grantee certifies, in accordance with Public Act 94-0264, that no foreign-made equipment, materials, or supplies furnished to the State in connection with this Agreement have been produced in whole or in part by the labor of any child under the age of 12.

6.13 PREVAILING WAGE

The Grantee acknowledges that receipt of Grant Funds under this Agreement require compliance with the Prevailing Wage Act (820 ILCS 130 et. seq.). Persons willfully failing to comply with, or willfully violating this Act may be in violation of the Criminal Code. Questions concerning compliance with the Prevailing Wage Act should be directed to the Illinois Department of Labor.

6.14 LIEN WAIVERS

The Grantee shall monitor construction to assure that necessary contractor's affidavits and waivers of mechanics liens are obtained prior to release of Grant Funds to contractors and subcontractors.

6.15 INTERAGENCY WETLAND POLICY ACT

The Grantee certifies that the proposed project is compatible with established state policy regarding wetlands, pursuant to the Interagency Wetland Policy Act of 1989. The Grantee acknowledges that the Illinois Department of Natural Resources may, from time to time, monitor the proposed project to ensure continued compliance with the aforementioned Act. In the event that the project does not remain in compliance with the Act, such noncompliance shall constitute a breach of the Agreement, and failure to cure the breach within sixty (60) days after notice thereof will result in the termination of this Agreement.

Part VIB

American Recovery and Reinvestment Act Terms, Conditions and Certifications

The Grantee makes the following certifications as a condition of being awarded funds pursuant to this Agreement under the Federal American Recovery and Reinvest Act of 2009 ("ARRA" or "Recovery Act"), which is found at Pub. L. 111-5. These terms, conditions and certifications are required by the Recovery Act and are in addition to any other certifications required by any state funding or federal funding source or Federal or Illinois law as set forth in this Agreement. The Grantee's execution of this Agreement shall serve as its attestation that the certifications made herein are true and correct and that the Grantee shall be bound by the same.

1. **ARRA Authority.** These funds are awarded in accordance with the American Recovery and Reinvestment Act of 2009 (Pub. L 111-005) ("ARRA" or the "Recovery Act"). The Energy Efficiency and Conservation Block Grant Program (EECBG) was created to establish and expand new and existing financial assistance programs intended to foster economic prosperity and job creation; reduce emissions from fossil fuels; and to continue on the pathway to a clean, secure and sustainable energy future. EECBG is authorized in Title V, Subtitle E of the Energy Independence and Security Act (EISA) and was signed into law on December 19, 2007. All grant awards made under this program must comply with applicable Federal and State legislation.

Through formula and competitive grants, the EECBG empowers local communities to make strategic investments to meet the nation's long-term goals for energy independence and leadership on climate change. Funding for the EECBG under the Recovery Act totals \$3.2 billion. Of this amount, over \$2.7 billion will be awarded through formula grants. In addition, up to \$453.72 million will be allocated through competitive grants. The remaining funds will be used to provide a suite of technical assistance tools to state, local, and tribal grantees.

The administrative requirements for DOE grants including those made per the EECBG are contained in 10 CFR Part 600. (See: <http://ecfr.gpoaccess.gov>). Grants and cooperative agreements made to universities, non-profits and other entities subject to OMB Circular A-110 are subject to the Research Terms and Conditions located on the National Science Foundation web site at: <http://www.nsf.bfa/dias/policy/rtc/index.jsp>. Special provisions relating to work funded under the ARRA shall apply, and the Office of Management and Budget (OMB) has issued Initial Implementing Guidance for the Recovery Act. See M-09-10, Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009. OMB will be issuing additional guidance concerning the Act in the near future. Applicants should consult the DOE website, www.energy.gov, the OMB website <http://www.whitehouse.gov/omb/>, and the Recovery website, www.recovery.gov regularly to keep abreast of guidance and information as it evolves.

Recipients of funding appropriated by the Recovery Act shall comply with requirements of applicable Federal, State, and local laws, regulations, DOE policy and guidance, and instructions in the DCEO program guidelines, unless relief has been granted by DCEO.

2. **Wage Rate Requirements and Davis-Bacon Act (40 U.S.C. 3141-3148).** The Grantee must comply with the requirements of the Federal Davis-Bacon Act in order to receive any funding under this grant. In the construction of any project funded directly by or assisted in whole or in part by and through funding appropriated by the American Recovery and Reinvestment Act, the

Grantee must comply with the requirements of the Davis-Bacon Act, including, but not limited to, inserting into all contracts for such construction a stipulation to the effect that all projects funded directly by or assisted in whole or in part by and through funding appropriated by the American Recovery and Reinvestment Act must be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by subchapter IV of Chapter 31 of title 40, United States Code. The provisions of the Davis-Bacon Act apply to both contractors and sub-contractors performing work on any project funded by this grant. The Grantee must also follow regulations contained at 29 CFR parts 1, 3 and 5. For guidance on how to comply with this provision, see <http://www.dol.gov/isa/wh/2/contracts/daba.htm>.

3. Buy American/Purchase of American-Made Equipment and Products. It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Agreement should be American-made. The Grantee certifies and agrees that it will conform to the afore-stated Buy American policy.
4. ABRA Funding Acknowledgement. The Grantee, when issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money shall clearly state (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources. See Pub. L. 103-333 Section 508 of the Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995. The Grantee will provide adequate advance notice of, and coordinate in the planning and promotional events with the Department.

All such funding acknowledgments must include the following language:

Acknowledgement: This material is based upon work supported by the Department of Energy under Award Number(s) as stated under Part I of the Agreement.

Disclaimer: "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

5. Segregation of Funds and Costs. The Grantee must segregate the obligations and expenditures related to funding under the Recovery Act. The Grantee must have a financial and accounting system that segregates, tracks and maintains the Recovery Act funds separate and apart from other revenue streams. No part of the funds from the Recovery Act shall be commingled with any other funds or used for a purpose other than that of making payments for costs allowable for Recovery Act projects. Recovery Act funds can be used in conjunction with other funding sources as necessary to complete projects, but tracking and reporting must be separate to meet the reporting requirements of the Recovery Act and OMB Guidance.
6. Access to Records. In accordance with the Section 1515(a) of the Recovery Act and expenditures made pursuant thereto, any representative of an appropriate inspector general appointed under Section 3 or 8G of the Inspector General Act of 1988 (5 U.S.C. App.) or of the Comptroller

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General is authorized to:

1. Examine any records of the Grantee, any of its contractors or subgrantees administering a grant or a contract that pertains to, and involves transactions relating to a grant, subcontract, or subgrant; and
2. Interview any officer or employee of the Grantee, contractor, or subgrantee regarding such transaction.

The Grantee shall ensure that those projects receiving funding under this Agreement provide reasonable access to facilities, office space, resources, and assistance for the safety and convenience of the government representatives in the performance of their duties.

7. **Information in Supporting Recovery Act Reporting.** Grantees may be required to submit backup documentation for expenditures of funds under the Recovery Act including such items as timecards and invoices. The Grantee and its contractors and subcontractors shall provide copies of backup documentation at the Department or its designee's request.
8. **Publication and Confidential Information.** Information about this Agreement will be published on the Internet and linked to the website www.recovery.gov, maintained by the Accountability and Transparency Board. The Board may exclude posting contractual or other information on the website on a case-by-case basis when necessary to protect national security or to protect information that is not subject to disclosure under sections 552 and 552s of title 5, United States Code.
9. **Grant Reporting System Requirements.** The Grantee will be required to utilize the Grantee Reporting Systems (GRS) for all funding received under these guidelines. GRS resides on a State of Illinois mainframe computer in Springfield. It is accessed via the Internet through an unpublished website address or the DCEO website. Personal computers configured with an Internet browser such as Microsoft Explorer, are able to access the GRS with no additional software requirements. DCEO assigns each user an identification number (ID) and password to access the GRS. It is the Grantee's responsibility to ensure that this ID and password are kept secure and updated.
10. **Additional Reporting Requirements.** In addition to any other the reporting requirements set forth herein, Grantee acknowledges that financial and progress reports will be used to adhere to the transparency and oversight requirements detailed in the Recovery Act and posted on <http://www.recovery.gov>. For each grant, a certified cost report must be submitted via the GRS Fiscal electronic reporting system prior to submitting a request for funds. At a minimum, the Grantee will be required to submit the following information:
 - Jobs created
 - Energy (kwh/therms/gallons/BTUs/etc.) saved
 - Renewable energy installed capacity and generated
 - GHG emissions reduced (CO2 equivalents)
 - Energy cost savings
 - Funds leveraged (refer to Section 5.9)
11. **Publication.** If the Grantee believes that the application it submitted for the award of this Agreement contains technical data and other data, including trade secrets and/or privileged or confidential information, which the Grantee does not want disclosed to the public or used by the Government for any purpose other than described in the application, prior to execution of this Agreement, the Grantee must contact the Department's Program Manager identified in Section 4.16 herein and the specifically identify the proprietary information, which shall be marked with the following notice.

Notice of Restriction on Disclosure and Use of Data

The data contained in the pages () of the application have been submitted in confidence and contain trade secrets or proprietary information, and such data shall be used or disclosed only for evaluation purposes, provided that DOE shall have the right to use or disclose the data to the extent provided for in this award. This restriction does not limit the Government's right to use or disclose data obtained without restriction from any source, including the Grantee.

If the Grantee does not contact its Program Manager, prior to execution of this Agreement, all information contained in its application will be considered public information, except information that is exempt from disclosure under the Illinois Freedom of Information Act (5 ILCS 140/1 *et seq.*).

Information about this Agreement will be published on the Internet and linked to the website www.recovery.gov maintained by the Accountability and Transparency Board. The Board may exclude posting contractual or other information on the website on a case-by-case basis when necessary to protect national security or to protect information that is not subject to disclosure under sections 552 and 552a of title 5, United States Code.

12. **Administrative Requirements.** The Grantee certifies and agrees that it will comply with the applicable administrative requirements and cost principles according to recipient type. Nonprofit grantees are subject to the cost principles at OMB Circular A-122; Educational Institution grantees are subject to cost principles at OMB Circular A-21; and Commercial organizations vendors are subcontractors are subject to the cost principles under 48 CFR 31.
13. **Fraud Prevention.** When there is a reasonable belief of gross mismanagement, waste, abuse, danger to public safety or health; or otherwise a violation of law, rule or regulations, the U.S. Government Accountability Office (GAO) maintains a **FraudNET**, a system for reporting allegations of fraud, waste and abuse under Federal grants and cooperative agreements. Reports are kept confidential. Information provided through the Internet web site is secure and all information is safeguarded against unauthorized disclosure. To report the possible misuse of federal funds, the E-mail address is fraud@gao.gov the fax number is 202-512-3086 and the mailing address is GAO **FraudNET**, 441 G Street N.W., Washington, DC 20548. When submitting allegations, please provide as much detailed information as possible.
14. **Protection of Whistleblowers.** Prohibition on Reprisals (Section 1553 of the Recovery Act): An employee of any non-Federal employer receiving Covered Funds under the Recovery Act may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, to the Accountability and Transparency Board, an inspector general, the Comptroller General, a member of Congress, a State or Federal regulatory or law enforcement agency, a person with supervisory authority to investigate, discover or terminate misconduct, a court or grand jury, the head of a Federal agency, or their representatives information that the employee believes is evidence of:
 - Gross management of an agency contract or grant relating to covered funds;
 - Gross waste of covered funds;
 - Substantial and specific danger to public health or safety related to the implementation or use of covered funds;
 - Abuse of authority related to the implementation or use of covered funds; or
 - Violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) or grant, awarded or issued relating to

covered funds.

Nonenforceability of Certain Provisions Waiving Rights and Remedies or Requiring Arbitration: Except as provided in a collective bargaining agreement, the rights and remedies provided to aggrieved employees by this section may not be waived by any agreement, policy, form, or condition of employment, including any predispute arbitration agreement. No predispute arbitration agreement shall be valid or enforceable if it requires arbitration of a dispute arising out of this section.

Requirement to Post Notice of Rights and Remedies. Any employer receiving covered funds under the Recovery Act shall post notice of the rights and remedies as required therein. Refer to section 1553 of the Recovery Act, www.Recovery.gov for specific requirements of this section and prescribed language for the notices.

Covered Funds means funds expended or obligated from appropriations under the Recovery Act.

15. **False Claims Act.** Grantee shall promptly refer to the US Department of Energy or other appropriate Inspector General any credible evidence that a principal, employee, agency, contractor, subgrantee, subcontractor or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity or similar misconduct involving those funds. 31 U.S.C.A. 3729.
16. **Lobbying Restrictions.** The Grantee, by accepting funds under this Agreement, certifies and agrees that none of the funds obligated on the award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.
17. **Prohibition on Use of Funds.** The Grantee certifies and agrees that none of the funds provided under this Agreement derived from the Recovery Act may be used by the Grantee, its sub-grantees, or contractors for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool (Section 1604 of the Recovery Act). Grantees are further prohibited from using funding under this agreement:
 - for construction, such as construction of mass transit systems and exclusive bus lanes, or for the construction or repair of buildings or structures;
 - to purchase land, a building or structure or any interest therein;
 - to subsidize fares for public transportation;
 - to subsidize utility rate demonstrations or State tax credits for energy conservation or renewable energy measures; or
 - to conduct or purchase equipment to conduct research, development or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available.
18. **No Discrimination in Services.** The Grantee certifies and agrees that it must comply with:
 - A. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color or national origin be excluded from participation in, be denied the benefits of or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and must immediately take any measures necessary to effectuate this assurance.
 - B. Section 2606(a) of the Omnibus Budget Reconciliation Act of 1981 provides that:

No person shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 also shall apply to any such program or activity.

19. **Non-Exclusion/Debarment.**

A. Grantee certifies that it is not currently barred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State department or agency, or is currently barred or suspended from contracting with the State under Section 50-35(f), 50-35(g) or 50-65 of the Illinois Procurement Code, 30 ILCS 500/1-1 et seq.

B. If at any time during the term of this Agreement, Grantee becomes barred, suspended, or excluded from participation in this transaction, Grantee must, within thirty (30) days of becoming barred, suspended or excluded, provide to the Department a written description of each offense causing the exclusion, the date(s) of the offense, the action(s) causing the offense(s), any penalty assessed or sentence imposed, and the date any penalty was paid or sentence complete.

20. **Subcontractor Requirements.** The Grantee agrees that it shall include these certifications/standard ARRA terms and conditions, including this requirement, in any of its contract or subcontracts that are funded in whole or in part with ARRA funds.

21. **Revisions to Certifications and Terms and Conditions.** The federal Government has not fully developed the implementing instructions of ARRA, particularly concerning specific procedural requirements for the new reporting requirements. The Grantee will be provided these details as they become available. Grantee acknowledges that these certifications and the terms and conditions contained herein may be revised pursuant to ongoing guidance from the relevant federal agency or the Department regarding requirements for ARRA funds. Grantee agrees to abide by any such revisions upon receipt of written notification from the State of the revisions, which will automatically become a material part of this Agreement, without the necessity of either party executing any further instrument.

22. **Intellectual Property Provisions and Contact Information.** Grantee must comply with all intellectual property provisions as identified at http://www.gc.doe.gov/financial_assistance_awards.htm.

23. **Preservation of Open Competition and Government Neutrality Towards Contractors' Labor Relations on Federally Funded Construction Projects.**

a. Unless in conflict with State or local laws, Grantee must ensure that bid specifications, project agreement, or other controlling documents in construction contracts awarded pursuant to this Agreement do not:

1. Require or prohibit bidders, offerors, contractors, or subcontractors to enter into or adhere to agreement with one or more labor organization, on the same or other related constructions project(s); Or
 2. Otherwise discriminate against bidders, offerors, contractors, or subcontractors for becoming or refusing to become or remain signatories or otherwise to adhere to agreements with one or more labor organizations, on the same or other related construction project(s).
 - b. The term "construction contract" as used in this provision means any contract for the construction, rehabilitation, alteration, conversion, extension, or repair of buildings, highways, or other improvements to real property.
 - c. Nothing in this provision prohibits bidders, offerors, contractors, or subcontractors from voluntarily entering into agreements with labor organizations.
24. **Availability of Funds.** Although the funds appropriated under the Recovery Act and obligated to this award are available for reimbursement of costs until April 30, 2012 to the State of Illinois, Grantee may only be reimbursed for allowable costs in accordance with the invoice-voucher procedures of the Office of the State Comptroller and within the term of the Agreement as set forth herein.
25. **National Environmental Policy Act (NEPA).** The Grantee certifies that it shall *only* provide funding under this Agreement for projects that fall within the categories in Part I below and, moreover, are consistent with the limitations prescribed therein.

Part I – Bounded Categories

1. Conducting residential and commercial building energy audits, which Projects include hiring technical consultants for such work.
2. Provision of grants to nonprofit organizations and governmental agencies for the purpose of performing energy efficiency retrofits, provided that:
 - **Projects Are Limited To:** installation of insulation; installation of efficient lighting; heating, venting, and air conditioning (HVAC) and high-efficiency shower/faucet upgrades; weather sealing; the purchase and installation of ENERGY STAR appliances; installation of solar powered or conventional garbage compacters with improved efficiency; and replacement of windows and doors.
3. Development and implementation of energy efficiency and conservation programs for buildings and facilities within the jurisdiction of the entity, provided that:
 - **Projects Are Limited To:** design and operation of the programs; identifying the most effective methods for achieving the maximum participation and efficiency rates; public education, measurement and verification protocols; and identification of energy efficient technologies.
4. Development, implementation, and installation on or in any government building of onsite renewable energy technology that generates electricity from renewable resources, provided that:

- Projects Are Limited To:
- Solar Electricity: appropriately-sized units on existing rooftops and parking shade structures; or system must be 60 KW or smaller units and installed on the ground.
- Wind Energy: system must be 20KW or smaller
- Solar Thermal: system must be 20 KW or smaller
- Solar Thermal Hot Water: appropriately-sized units for residences or small commercial buildings
- Geothermal Heat Pumps: 5.5-ton capacity or smaller horizontal closed loop
- Combined Heat and Power Systems: boilers appropriate to the existing buildings in which they are located
- Biomass Thermal: 3 MMBTUs or smaller with appropriate Best Available Control Technologies (BACT) installed and operated
- Solar Thermal (no pools): sized appropriately for existing facilities

Part II - Integral Element Requirements

Grantee certifies that it shall *only* provide funding under this Agreement for projects that would not:

- (1) Threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, including requirements of DOE and/or Executive Orders;
- (2) Require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators);
- (3) Disturb hazardous substances, pollutants, contaminants, or CERCLA-excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases; or
- (4) Adversely affect environmentally sensitive resources. Environmentally sensitive resources include, but are not limited to:
 - (i) Property (e.g., sites, buildings, structures, objects) of historic, archeological, or architectural significance designated by Federal, state, or local governments or property eligible for listing on the National Register of Historic Places;
 - (ii) Federally-listed threatened or endangered species or their habitat (including critical habitat), Federally- proposed or candidate species or their habitat, or state-listed endangered or threatened species or their habitat;
 - (iii) Wetlands regulated under the Clean Water Act (33 U.S.C. 1344) and floodplains;
 - (iv) Areas having a special designation such as Federally- and state-designated wilderness areas, national parks, national natural landmarks, wild and scenic rivers, state and Federal wildlife refuges, and marine sanctuaries;
 - (v) Prime agricultural lands;
 - (vi) Special sources of water (such as sole-source aquifers, wellhead protection areas, and

other water sources that are vital in a region); and

(vii) Tundra, coral reefs, or rain forests.

Unless otherwise addressed in this Agreement, all projects receiving financial assistance from DOE must be reviewed under the National Environmental Policy Act (NEPA) of 1969 – 42 U.S.C. Section 4321 et seq. The Grantee must ensure that all projects must comply with all DOE NEPA requirements. If DOE determines that NEPA requires the preparation of an environmental assessment (EA) or environmental impact statement (EIS) for a proposed project, the applicant will be responsible for paying the cost of preparing an EA or EIS. Preparation of these types of NEPA documents can require six to twenty-four months. Accordingly, the Department reserves the right to determine whether the proposed project is consistent with the objectives of the ARRA regarding expenditure of funds within the time periods allowed for by the statute.

26. **Federal Stewardship.** Grantee agrees that it must comply with DOE directives including, but not limited to, stewardship activities such as conducting site visits; reviewing performance and financial reports; providing technical assistance; temporary intervention in unusual circumstances to correct project deficiencies; assuring compliance with terms and conditions; and reviewing technical performance after project completion to ensure that award objectives have been accomplished.
27. **Decontamination and Decommissioning Costs.** Neither the State nor the Federal Government shall be responsible for or have any obligation to the recipient for (i) Decontamination and/or Decommissioning (D&D) of any of the recipient's facilities, or (ii) any costs which may be incurred by the recipient in connection with the D&D of any of its facilities due to the performance of the work under this Agreement, whether said work was performed prior to or subsequent to the effective date of this Agreement.
28. **Required Use of American Iron, Steel, and Manufactured Goods.** All iron, steel, and manufactured goods used in the project must be produced in the United States or a designated country. Grantee may request a determination by the Federal Government of the inapplicability of this requirement. The details of the required use requirement and any potential exceptions thereto are detailed in Section 1605 of the ARRA.
29. **Historic Preservation.** Prior to the expenditure of any Federal funds to alter any structure or site, those projects receiving funding under this Agreement will be required to comply with the requirements of Section 106 of the National Historic Preservation Act (NHPA), consistent with DOE's 2009 letter of delegation of authority regarding the NHPA. Section 106 applies to historic properties that are listed in or eligible for listing in the National Register of Historic Places. If applicable, in order to fulfill the requirements of Section 106, Grantee must ensure that those projects receiving funding under this Agreement must contact the State Historic Preservation Officer (SHPO) to coordinate the Section 106 review outlined in 36 CFR Part 800. SHPO contact information is available at the following link: <http://www.ncshpo.org/find/index.htm>.

Grantee will be required to submit adequate background documentation to the SHPO for its review, and the SHPO must provide written concurrence to Grantee that it does not object to its Section 106 finding or determination. Grantee must provide a copy of this concurrence, and any other supporting documentation as directed by the DCEO, to the DCEO Program Manager prior to release of funds.
30. **Waste Stream.** Prior to the awarding of any funds under this grant, Grantee must submit a waste management plan addressing waste generated by the proposed Project. This waste management plan will describe the Grantee's plan to dispose of any sanitary or hazardous waste (e.g., construction and demolition debris, old light bulbs, lead ballast, piping, roofing material, discarded

equipment, debris, and asbestos) generated as a result of the proposed Project. Grantee will be required to provide documentation to the DCEO Program Manager that demonstrates that it has prepared a disposal plan for sanitary or hazardous waste generated by the proposed activities.

31. **Terms and Conditions.** In addition to the terms and conditions identified in this Part VIB, Grantee must follow the special terms and conditions relevant to the DOE Award. Grantee is responsible for identifying and following said terms and conditions, and should visit the websites identified in Section B-6.1 above on a regular basis.
32. **Reporting Requirements.** Specific reporting requirements are necessary as a condition of being awarded funding under the ARRA. Grantee will comply with all such requirements as directed by the Department. *Failure to comply with any reporting requirement may result in termination of that part of the award funding by the ARRA.*