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SPECIAL TERMS AND CONDITIONS

SECTION 1.0 CONTRACT BUDGET

<u>Line Items</u>	<u>Budget</u>
Administration	\$0
Regular Assistance	\$0
ECIP	\$0
Program Support	\$0
Assurance 16	\$0
Data Expansion	
Summer Pre-Buy	\$0
<hr/>	
TOTAL	\$0

SECTION 2.0 AREA COVERED

The Subgrantee shall perform all the work and services required under this Contract in connection with and respecting the following area(s): xxxx Counties.

SECTION 3.0 STATEMENT OF PURPOSE AND IDENTIFICATION OF PARTIES

WHEREAS, the Department of Human Rights/Division of Community Action Agencies has been designated by the Governor to administer the Low-Income Home Energy Assistance Program funded under the Low-Income Home Energy Assistance Act of 1981 (Title XXVI of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, as amended).

WHEREAS, the Division of Community Action Agencies is to administer the LIHEAP block grant as described in current Iowa appropriation legislation;

WHEREAS, the Division of Community Action Agencies is to administer programs detailed in Section 216A.92 of the Code of Iowa;

WHEREAS, the Subgrantee has previously administered an energy assistance program and has the necessary expertise to operate such a program.

Therefore, this contract is entered into by and between Community Opportunities, Incorporated (herein referred to as Subgrantee) and the Department of Human Rights, Division of Community Action Agencies (hereinafter referred to as Grantee).

SECTION 4.0 SIGNATORIES

4.1 Initial Contract

Grantee

The Administrator of the DCAA is the official authorized to execute any changes in the administrative terms and conditions specified in this contract.

Subgrantee

The Chairperson of the Board of Directors and the Executive Director are the officials authorized to execute the administrative terms and conditions specified in this Contract. The Contract must be signed by both the Chairperson and the Executive Director. The signatures must be original signatures or electronic signatures using e-signature software.

4.2 Contract Amendments

Grantee

The Administrator of the DCAA is the official authorized to execute any amendments related to this Contract for the Grantee.

Subgrantee

The Chairperson of the Board of Directors is the official authorized to execute any amendments related to this Contract. The signature must be an original signature or an electronic signature using e-signature software. Upon board action, the Chairperson of the Board of Directors may designate the Executive Director or other Subgrantee official to execute amendments on behalf of the Chairperson. Any approved designees must be designated in writing, using the "Iowa LIHEAP Program – Designation of Additional Signatories" form, and submitted to the Grantee by the Chairperson of the Board of Directors.

4.3 Monthly Funding Requests and Expenditure Reports

The Executive Director is the official authorized to certify the Subgrantee's Monthly Funding Requests and Expenditure Reports. The signature must be an original signature. Electronic signatures are not allowed. The Executive Director may designate another Subgrantee official to certify the Subgrantee's Monthly Funding Requests and Expenditure Reports on behalf of the Executive Director. Any approved designees must be designated in writing, using the "Iowa LIHEAP Program – Designation of Additional Signatories" form, and submitted to the Grantee by the Executive Director.

SECTION 5.0 RESOLUTION OF CONFLICTING CONDITIONS

Any apparent inconsistency between Federal statutes and regulations and the terms and conditions contained in this award must be referred to the HHS Award Administrator for guidance.

Questions regarding this Contract are to be addressed to the Grantee.

SECTION 6.0 AMENDMENTS TO GENERAL TERMS

The General Terms are hereby amended as follows:

- 1) References to Office of Management and Budget circulars shall be replaced with "Office of Management and Budget 2 CFR Chapter I, Chapter II, Part 200, et al. (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)" and "45 CFR Part 75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Federal Awards".
- 2) Definitions 4: "Bid Proposal" or "Proposal" shall mean the "Application", as defined in the Special Terms and Conditions.
- 3) Section E.1. (Access to Confidential Information): The 3rd and 5th sentences are deleted in their entirety.
- 4) Section G.1. (Insurance Requirements): The words "at the Subgrantee's expense" are deleted from the 1st sentence.
- 5) Section G.3. (Certificates of Coverage):
 - Delete from the 2nd sentence "submit" and add "maintain"
 - Delete from the 2nd sentence "to the Grantee upon execution of this Contract"

- The 3rd and 5th sentences are deleted in their entirety
- 6) Section H. (Program Management and Reporting): The section is deleted in its entirety.
 - 7) Section L.11. (Use of Third Parties): The 2nd sentence is deleted in its entirety.
 - 8) Section L.26. (Records Retention and Access): Retention of Records in the Special Terms and Conditions supersedes L.26 in the General Terms.
 - 9) Section L.27. (Audits): Delete from the first sentence "\$500,000" and insert "\$750,000".
 - 10) Section O. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower tier Covered Transactions: Add "or their successors" and after all references to "48 CFR Part 9, Subpart 9.4".
 - 11) Section P. (Certification Regarding Lobbying): The section is replaced with:
 - Federal grants provided under these awards may not be used by the grantee or any Subgrantee to support lobbying activities to influence proposed or pending Federal of State legislation or appropriations. This prohibition is related to the use of Federal funds and is not intended to affect an individual's right or that of any organization, to petition Congress, or any other level of Government, through the use of other resources (see 45 CFR Part 93).
 - 12) Section R.5. (Certification Regarding Compliance with Requirements of Iowa Code Chapter 8F): Add at the end of the paragraph, "The recipient entity will meet the requirements to provide a copy of the Internal Revenue Service Form 990 for all fiscal years in which service contract revenues are reported by maintaining for Grantee inspection copies of the 990 forms.
 - 13) Section S. (Provisions for Subgrantees Established in Accordance with Chapter 28E): Delete from the 2nd sentence of the 2nd paragraph "one week" and add "twenty (20) days".
 - 14) Section U.3. (Disposition of Equipment): The 2nd sentence is deleted in its entirety and replaced with:
 - Proceeds resulting from those approved sales must be credited to the program(s) that made the initial purchase pursuant to 45 CFR Part 75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Federal Awards.
 - 15) Section U.4. (Rental and Lease Requirements): At the end of the sentence insert "per calendar year".

SECTION 7.0 DEFINITIONS

- "DCAA" means the Division of Community Action Agencies, a division within the Department of Human Rights.
- "DHR" means the Department of Human Rights.
- "GRANTEE" means the Division of Community Action Agencies. This definition applies only to the Special Terms and Conditions
- "HHS" means the Department of Health and Human Services.
- "LIHEAP" means the Iowa Low-Income Home Energy Assistance Program, administered by the DCAA.
- "SUBGRANTEE" means the local agency administering the Low-Income Home Energy Assistance Program (LIHEAP). This definition applies only to the Special Terms and Conditions.

- ‘SUBGRANTEE CONTRACTOR’ means any private contractor performing work for the Subgrantee. This definition applies only to the Special Terms and Conditions.
- "WEATHERIZATION SUBGRANTEE" means any local agency administering the Weatherization Assistance Program. This definition applies only to the Special Terms and Conditions.

SECTION 8.0 STATEMENTS OF WORK AND SERVICES

The Subgrantee will perform in a satisfactory manner, as determined by the Grantee, the activities and services authorized by this agreement in accordance with this Contract, the current Iowa Model Plan (State Plan), *Iowa LIHEAP Policy and Procedures Manual*, Grantee directives, and federal, state, and local laws and regulations.

SECTION 9.0 COMPLIANCE WITH FEDERAL AND STATE LAWS, RULES, REGULATIONS, AND REQUIREMENTS

The Subgrantee must adhere to all applicable state and federal guidelines, laws, rules, regulations and requirements, including, but not limited to the following:

- Federal rules and regulations governing the Low-Income Home Energy Assistance Program
- Requirements described in the Iowa Model Plan (State Plan), Low-Income Home Energy Assistance Program Contract, the *Iowa LIHEAP Policy and Procedures Manual*, Program Notices, and other directives
- Title 45 (Public Welfare) of the Code of Federal Regulations, Part 96 (Block Grants), Subparts A-F, and Subpart H, cited as 45 CFR 96
- Iowa Administrative Code, Section 427-10(216A)
- Subgrantee Contractors must obtain any required permits and licenses and comply with applicable federal, state, and local laws, rules, regulations, and requirements
- No organization may participate in any capacity or be a recipient of Federal funds designated for these programs if the organization has been debarred or suspended or otherwise found to be ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension" (see 45 CFR 75.212)

The Subgrantee or Subgrantee Contractor shall make the records required under this clause available for inspection, copying, or transcription by the Grantee, a HHS representative, or the Department of Labor. The Subgrantee or Subgrantee Contractor shall permit the Grantee, HHS representative, or the Department of Labor to interview employees during working hours on the job. If the Subgrantee or Subgrantee Contractor fails to submit the required records or to make them available, the Grantee may, after written notice to the Subgrantee take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

9.1 Non-Compliance

Upon discovery of any case of non-compliance, the Grantee will submit a written notice of non-compliance to the Subgrantee within thirty (30) calendar days. The notice will specifically identify the non-compliance issues, note the corrective action needed and specify a time line for completion of the stated corrective action. The Subgrantee will then have seven (7) calendar days to question or appeal the notice to the DCAA Administrator, who will rule on the validity of the appeal.

If the non-compliance is found to be factual, the time line of corrective action will be established and the Subgrantee will be monitored to assure compliance with the stated corrective action. When corrective action on the timeline schedule is reached, and if the compliance has not been achieved, the Subgrantee's funds may be held in abeyance until the situation is resolved. Any case of non-compliance may result in cancellation of the Contract, return of all unexpended funds, redesignation of responsibility to another Subgrantee and/or litigation.

SECTION 10.0 SITE VISITS

HHS authorized representatives have the right to make site visits at reasonable times to review project accomplishments and management control systems and to provide technical assistance, if required. The Subgrantee must 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. All site visits must be performed in a manner that does not unduly interfere with or delay the work.

10.1 Statement of Federal Stewardship

The Grantee agrees to comply with stewardship activities which include, but are not limited to, conducting site visits; reviewing performance and financial reports; providing technical assistance and/or temporary intervention in unusual circumstances to correct deficiencies which develop during the project; assuring compliance with terms and conditions; and reviewing performance after project completion to ensure that the award objectives have been accomplished.

SECTION 11.0 RESOLUTION OF DISAGREEMENT

In the event of any disagreement between the Grantee and the Subgrantee relating to the competence of the work and services being performed and its conformity to the requirements of this Contract, the decisions of the Grantee shall prevail.

SECTION 12.0 INTEREST OF THE GRANTEE AND SUBGRANTEE OFFICIALS

12.1 Grantee Officials

No employee of the Grantee shall participate in any decision relating to this Contract which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested; or have any interest, direct or indirect, in this Contract or the proceeds thereof.

12.2 Subgrantee Officials

The Subgrantee promises that no official, employee, or agent of the Subgrantee has any personal or financial interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. The Subgrantee further promises that in the performance of this Contract no person having such interest will be employed.

SECTION 13.0 CONFLICT OF INTEREST

The Subgrantee or Subgrantee Contractors shall not permit any conflicts of interest involving staff, board, or council members and shall avoid any appearance of conflicts of interest in all transactions awarding of financial assistance or procurement of services or property using Contract funds. No member of any council, board, or staff associated with this Contract shall cast a vote on the provision of service by that member (or any organization directly represented by that member) or vote on any matter, which would provide direct financial benefit to that member. Detailed information about any conflict of interest situations, along with information on how they were resolved, shall promptly be reported to the Subgrantee and to the Grantee.

SECTION 14.0 PERSONNEL

The Subgrantee represents that it has, or will, secure all personnel required to perform the work and services under this Contract. The Subgrantee also agrees that it is its responsibility to ensure all personnel engaged in the work and services under this Contract shall be fully qualified.

The Subgrantee will notify the Grantee, in writing, regarding a change in the LIHEAP coordinator and the Fiscal Officer positions.

SECTION 15.0 CUSTOMER CONFIDENTIALITY

The Subgrantee shall comply with the Iowa Department of Human Rights' policy on confidentiality of individual LIHEAP customer records as stated in Iowa Code, 216A.6.

SECTION 16.0 FINANCIAL ACCOUNTS AND RECORDS

16.1 Accounts

The Subgrantee shall maintain books, records, documents, and other evidence pertaining to all costs and expenses incurred and revenues acquired under this Contract to the extent and in such detail as will properly reflect all costs, direct and indirect, or labor, materials, equipment, supplies, services, and other costs and expenses of whatever nature, for which payment is claimed under this Contract. The Subgrantee shall be prepared to support charges for salaries and wages by time, attendance, and payroll records.

16.2 Audit and Inspection

At any time during normal business hours and as frequently as is deemed necessary the Subgrantee shall make available to the Grantee, the State Auditor, the Comptroller General of the United States, the federal Grantee providing funds, or any of their duly appointed representatives, for their examination, all of its records pertaining to all matters covered by this Contract and permit these agencies to audit, examine, make excerpts or transcripts from such records, contracts, invoices, payrolls, personnel records, conditions of employment, and all other matters covered by this Contract.

16.3 Retention of Records

All records in the possession of the Subgrantee pertaining to this Contract shall be retained by the Subgrantee for a minimum of four (4) years after the date the LIHEAP grant period, to which the records are related, is closed out (LIHEAP grant periods usually run multiple years). Records retention procedures shall conform to Office of Management and Budget 2 CFR Chapter I, Chapter II, Part 200, et al. (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards). The Subgrantee must request and receive prior approval from the Grantee before any records pertaining to this Contract may be destroyed.

16.4 Refunds Returned to Grant

The Subgrantee, in maintaining Contract expenditure accounts and records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from any administrative reviews and audits by the United States or by the State of Iowa or by the Subgrantee. Such adjustments shall be set forth in the financial reports filed with the Grantee.

SECTION 17.0 PROGRAM DOCUMENTATION AND RECORDS

17.1 Documentation/Records

The Subgrantee must maintain LIHEAP customer, Subgrantee Contractor, and any other related files containing documentation deemed necessary and appropriate by the Grantee as per the *Iowa LIHEAP Policy and Procedures Manual* and other directives.

17.2 Audit and Inspection

At any time during normal business hours and as frequently as is deemed necessary the Subgrantee shall make available to the Grantee, HHS, or any of their duly appointed representatives, for their examination, all of its records pertaining to all matters covered by this Contract and permit these agencies to audit, examine, make excerpts or transcripts from such records, contracts, and all other matters covered by this Contract.

17.3 Retention of Records

All records in the possession of the Subgrantee pertaining to this Contract shall be retained by the Subgrantee for a minimum of four (4) after the date the LIHEAP grant period, to which the records are related, is closed out (LIHEAP grant periods usually run multiple years). Records retention procedures shall

conform to Office of Management and Budget 2 CFR Chapter I, Chapter II, Part 200, et al. (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards). The Subgrantee must request and receive prior approval from the Grantee before any records pertaining to this Contract may be destroyed.

SECTION 18.0 AUDITS

18.1 Audit Requirement

Each Subgrantee shall cause all funds expended under this Contract to be audited annually. The audit shall be arranged by and paid for by the Subgrantee. Audits shall be performed in accordance with generally accepted auditing standards, including the standards published by the General Accounting Office, "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions." The audit report shall conform to the audit format established for Community Action Agencies by the State Auditor. Audit procedures shall conform to 45 CFR Part 75 Uniform Administrative Requirements, Cost Principles and Audit Requirements for U.S. Department of Health and Human Services (HHS) Federal Awards. In addition, the Grantee may request more frequent audits or examinations of financial records of the recipient in order to insure adequate financial controls are in place and operating.

18.2 Audit Procurement

Procurement of audit services shall be conducted under the standards of procurement applicable to the Subgrantee in accordance with 45 CFR Part 75 Uniform Administrative Requirements, Cost Principles and Audit Requirements for U.S. Department of Health and Human Services (HHS) Federal Awards. The bid procedure shall be conducted at least once every five (5) years.

18.3 Audit Report Due Dates

Annual audit reports must adhere to 45 CFR 75.512.

18.4 Questioned Costs

All questioned costs are payable to the Grantee thirty (30) calendar days after Subgrantee's receipt of the Grantee request for repayment unless written exception is granted during the thirty (30) calendar day period. Questioned costs may not be paid with federal funds. Where additional examination is required to resolve questioned costs, an extension of the deadline for repayment of questioned costs may be granted by the Grantee.

18.5 Line Item Cost Category Breakout

Audit reports shall be required to breakout budget line item cost data, by Contract, in accordance with the approved Contract budget.

18.6 Other Audits or Reviews

Subgrantees shall inform the Grantee of any program or financial audits or reviews performed by or on behalf of any federal, state, local, or other governmental unit that concern or involve Grantee programs or staff providing services under any Grantee program, and shall provide copies of the findings or results of such audits or reviews to the Grantee within thirty (30) calendar days of receiving such findings or results. Subgrantees shall provide the Grantee with copies of any plans or documents that they create to address any findings or issues identified in such audits or reviews within ten (10) calendar days of submitting such plans or documents.

SECTION 19.0 REVIEW OF WORK

The Grantee shall have the right to review and observe, at any time, completed work, or work in progress on this Contract.

SECTION 20.0 ALLOWABLE COSTS

20.1 General

Allowable costs are subject to audit under the principles defined (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards).

20.2 Cost Allocation Plan

The Subgrantee shall possess and use a cost allocation plan that results in the fair distribution of costs to benefiting programs. The Subgrantee shall have available for inspection, by the Grantee, a copy of the cost allocation plan in use during the term of this Contract. The Grantee may review and approve portions of the cost allocation plan not reviewed and approved by the federal cognizant agency.

20.3 Administration

Subgrantee expenditures for administrative costs will not exceed the maximum amount shown in the "Total Administration" line item, of the contract budget. Administration funds may be moved to other line items, with permission from the grantee, in the form of a contract amendment.

Allowable Administrative costs include:

- Salaries and fringe benefits of personnel associated with taking regular LIHEAP applications
- Determining eligibility and benefit levels
- Monitoring the assistance provided to customers
- Training staff regarding policies and procedures
- Office space and utilities
- Telephone
- Interpretation/translation services
- Publicity and outreach
- Travel and per diem
- LIHEAP-related conference registration and associated costs
- Audit costs
- Rental, purchase, and/or lease of equipment Prior approval by the Grantee for purchase, rental or lease of equipment may be required to be an allowable cost (refer to [Section 26.0](#) of this contract for purchasing requirements).
- Supplies, photocopies, printing and postage
- Appeal and hearing costs
- Direct computer costs
- Activities listed in [Section 20.4](#) of this contract

20.4 Program Support

Subgrantee expenditures for program support costs will not exceed the maximum amount shown in the "Program Support" line item of the contract. Activities listed in Section 17.00 of the *Iowa LIHEAP Policy and Procedures Manual* may be charged to the Program Support line item (or the Administration line item).

20.5 Indirect Costs

Indirect costs shall be allowed at a specified rate approved by the Subgrantee's federal cognizant agency and in an amount not to exceed the approved budget presented in this Contract. Indirect cost rates, if applicable shall be determined according to the principles defined in Office of Management and Budget 2 CFR Chapter I, Chapter II, Part 200, et al. (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards). The Grantee must have a copy of the approved indirect cost plan and proof of approval by the cognizant federal agency prior to the Contract being issued.

20.6 Regular Assistance

Regular Assistance refers to benefits awarded to households who applied for heating assistance during the regular LIHEAP season. Subgrantee expenditures for Regular Assistance costs will not exceed the maximum amount shown in the "Regular Assistance" line item of the contract.

20.7 Energy Crisis Intervention Payment (ECIP)

To be eligible for crisis assistance/Energy Crisis Intervention Payment (ECIP), a household must complete a LIHEAP application, must meet the income guidelines of the energy assistance program, and must meet the definition of an “energy crisis” as outlined in Section 15.00 of the *Iowa LIHEAP Policy and Procedures Manual*. Subgrantee expenditures for ECIP costs will not exceed the maximum amount shown in the “ECIP” line item of the contract.

20.8 Assurance 16

LIHEAP Assurance 16 activities that encourage and enable households to reduce their home energy needs and thereby reduce their need for energy assistance will be provided by the Subgrantee. Such services may include budget counseling, advocacy, energy conservation education, low-cost weatherization, needs assessment, and such other activities as provided for each year in the LIHEAP State Plan. Activities charged to this line item must be documented for the file. Subgrantee expenditures for Assurance 16 activities costs will not exceed the maximum amount shown in the “Assurance 16” line item of the contract.

20.9 Data Expansion

The Data Expansion line item is funded under certain circumstances as directed by the Grantee. Subgrantee expenditures for Data Expansion costs will not exceed the maximum amount shown in the “Data Expansion” line item of the contract.

20.10 Summer Pre-Buy

Subject to the availability of federal funding, the LIHEAP program will contract during the summer months, for delivery of deliverable heating fuels to eligible LIHEAP customers in the subsequent program year. Pre-purchasing fuels before the winter months allows vendors to buy the fuel at a lower price, thus stretching LIHEAP assistance. Subgrantee expenditures for Summer Pre-Buy costs will not exceed the maximum amount shown in the “Summer Pre-Buy” line item of the contract.

20.11 Charges to Applicants

The Subgrantee may not make any charge to applicants for items such as postage, document copying, etc.

20.12 Expenditure Limits

Expenditures which exceed line item amount(s) as specified in the Contract budget will be disallowed unless otherwise provided for through an amendment(s) of this Contract.

Any funds spent on LIHEAP Administration that exceed 10% of the total LIHEAP contract amount, must be non-federal funds.

Any funds spent on LIHEAP Assurance 16 activities, that exceed 5% of the total LIHEAP contract amount, must be non-federal funds.

Any expenditure exceeding the amount of the approved Contract and all disallowed expenses noted on audit reports will be the responsibility of the Subgrantee.

20.13 Non-LIHEAP Expenses

Reimbursement will not be allowed for any cost attributable to a program other than the Low-Income Home Energy Assistance Program administered by the Grantee.

20.14 Contract Expenses

Expenses shall not be incurred prior to the effective date of this Contract.

SECTION 21.0 COSTS THAT ARE NOT ALLOWABLE

Program funds cannot be used for costs that are not allowable. Non-allowable costs are defined in Office of

Management and Budget 2 CFR Chapter I, Chapter II, Part 200, et al. (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards).

Costs incurred in another program shall not be shifted to this Contract to overcome fund deficiencies, avoid restrictions imposed by law or contract, or any other reason.

SECTION 22.0 REPORTING

The Grantee will review all reports submitted by the Subgrantee. The Subgrantee will be notified in those cases where reports are not approved as submitted, and a revised report will be required.

The Subgrantee will assist the Grantee in collecting data required by the Department of Health and Human Services (HHS) concerning information on home energy consumption amount, cost of fuels used and payment history for households eligible for LIHEAP assistance, or such other data as HHS or the Grantee determines is reasonably necessary.

22.1 Reporting Requirements

The reporting requirements for this award are identified below. Failure to comply with these reporting requirements is considered a material noncompliance with the terms of the award. Noncompliance may result in withholding of future payments, suspension, or termination of the current award, and withholding of future awards. A willful failure to perform, a history of failure to perform, or unsatisfactory performance of this and/or other financial assistance awards, may also result in a debarment action to preclude future awards by Federal agencies.

22.2 Weekly Reports

Each outreach office must upload application/approval information to the data exchange server at least once a week. Where applicable, each Subgrantee will provide the Grantee a composite listing of all approved, denied and paid applications, including all LIHEAP customer characteristics, at least weekly from the first week in November through April 30th and as requested.

22.3 Monthly Reports

Monthly reports must be submitted electronically according to the DCAA electronic reporting procedures. Paper copies will not be accepted. The monthly report must be received by the Grantee no later than ten (10) calendar days following the last day of the month covered by the report and will be filed for each month covered by the Contract. Monthly reports will be filed with the Grantee for the months following the expiration of this Contract until the time the closeout report (see [Section 22.5](#) of this contract) is submitted if fiscal activity relating to this Contract has occurred during the month following expiration.

22.4 Quarterly Reports

The Subgrantee also agrees to file quarterly report forms on Assessment and Resolution activities. The quarterly report will be received by the Grantee no later than ten (10) calendar days following the last day of the quarter covered by the report, and will be required for the duration of this Contract.

22.5 Closeout Reports

The Subgrantee will submit to the Grantee a closeout report showing a detailed and documented description of all costs and expenses charged to this contract. The closeout report forms will be provided by the Grantee. The closeout report will be submitted to the Grantee within forty-five (45) calendar days of the Contract termination.

Any unexpended funds must be returned to the Grantee with the final closeout report. If the funds are not returned with the report, subsequent LIHEAP advances will be withheld until the prior years unexpended funds are received by the Grantee.

SECTION 23.0 CONDITIONS OF PAYMENT

23.1 Availability of Funds

Funding for the Low-Income Home Energy Assistance Program is subject to the continued availability of federal funds. If funding is discontinued or reduced, this Contract may be terminated or amended, in whole or in part, by the Grantee. The Subgrantee will be notified immediately if this situation or its possibility arises. Additional Contract expenditures beyond the Contract termination date will be disallowed costs.

23.2 Maximum Payments

It is expressly understood and agreed that the Grantee will reimburse to the Subgrantee actual program costs up to the maximum amounts specified by line item in the "Contract Budget" in [Section 1.0](#) of this contract.

23.3 Advance Payments

The Grantee will, upon receipt of the Subgrantee's monthly fiscal report, reimburse funds for actual documented expenses, and advance funds for reasonably projected expenses for the next thirty (30) days, less unspent contract funds on-hand.

The Grantee may adjust cash advances to the Subgrantee at any time during the Contract period. The Subgrantee may, at any time, submit supplemental requests for funds, as needed.

23.4 Payment Delays

The Grantee may delay payments to the Subgrantee at any time before the date of completion of this contract whenever it is determined that the Subgrantee has failed to submit required reports on a timely basis. If the reports are not received by the Grantee by the 10th day of the month, payment may be processed the following month.

Payment may also be withheld due to incorrectly submitted financial reports and when work quality and performance in accordance with goals as set forth in the Special Terms and Conditions, General Terms and other parts of this Contract have been deemed inadequate. Payments withheld will be made to the Subgrantee when the compliance issues have been resolved.

23.5 Cash on Hand

At any time the Grantee reviews the Subgrantee's monthly reports and determines that the cash on hand exceeds actual expenses, less payments not yet received, the Subgrantee will, upon request, return the excess cash to Grantee within ten (10) business days.

23.6 Unobligated Funds

Any LIHEAP Regular Assistance funds unobligated as of April 30th will be subject to reallocation, according to need as determined by the Grantee.

23.7 Prior Year Funds

Any funds returned from vendors for years for which a closeout package has been submitted will be returned to the Grantee within thirty (30) calendar days of receipt of the refund, as per the *Iowa LIHEAP Policy and Procedures Manual* Section 14.00 Change of LIHEAP Customer Status.

23.8 Other Payment Requirements

Reports must accurately reflect Expenditures to Date (payments actually made), Unpaid Approved Expenditures, and Projected Expenditures.

Unpaid Approved Expenditures must be paid within fourteen (14) calendar days of receipt of funds (federal holidays excluded). Note: This does not apply to vendor refunds (see *Iowa LIHEAP Policy and Procedures*

Manual Section 14.00 Change of LIHEAP Customer Status for more information). See [Section 23.5](#) of this contract for information regarding cash on hand.

Projected expenditures must be paid within thirty (30) calendar days of receipt of funds. See [Section 23.5](#) of this contract for information regarding cash on hand.

When requesting LIHEAP Regular Assistance funds, the Subgrantee may be required to submit a list of approved LIHEAP customers.

Documentation supporting funds requested on the Monthly Funding Request and Expenditure Report will be routinely monitored and may be requested at any time for all contract line items.

The report will account for all encumbrances. Documentation may be requested to accompany the report, as deemed necessary by the Grantee for Administration, Regular Assistance, ECIP, and other line items.

SECTION 24.0 RECEIPT OF FEDERAL FUNDS

All payments shall be subject to the receipt of federal grant funds by the Grantee. The termination, reduction, or delay of federal grant funds to the Grantee shall, at the option of the Grantee, be reflected in a corresponding modification to grants already made.

SECTION 25.0 INTEREST EARNED

25.1 Interest Bearing Accounts

In accordance with Office of Management and Budget 2 CFR Chapter I, Chapter II, Part 200, et al. (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), the Subgrantee shall maintain advances of federal funds in interest bearing accounts, unless one of the following applies:

1. The Subgrantee receives less than \$120,000 in federal awards per year.
2. The best reasonable available interest-bearing account would not be expected to earn interest in excess of \$500 per year of federal cash balances.
3. The depository would require an average or minimum balance so high that it would not be feasible within the expected federal and non-federal cash resources.

Subgrantees not maintaining advances of federal funds in interest bearing accounts because of one or more of the conditions listed above, shall have available for Grantee inspection, documentation supporting the Subgrantee's decision to not maintain advances of federal funds in interest bearing accounts.

25.2 Nongovernmental Recipients and Governmental Recipients other than States

In accordance with Office of Management and Budget 2 CFR Chapter I, Chapter II, Part 200, et al. (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), any interest earned on federal advance payments deposited in interest-bearing accounts must be remitted annually to the U.S. Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$500 per year, based on the Contractor's fiscal year, may be retained by the Contractor for administrative expenses. Contractors with electronic fund transfer (EFT) capabilities should use the electronic medium to remit interest.

25.3 Documenting Interest Earned

Subgrantees remitting annual interest earned to the U.S. Department of Health and Human Services (HHS) must maintain, at a minimum, the following information: Interest earned documents, the total amount remitted to HHS, and the date of the remittance to HHS. Interest amounts up to \$500 per year may be retained by the non-Federal entity for administrative expense.

Subgrantees not required to make an annual interest earned remittance to HHS must maintain, at a minimum, interest earned documentation.

25.4 Disbursement of Funds

It is the responsibility of the Subgrantee to control the amount of funds on hand by making expenditure predictions as accurate as possible and processing payments to LIHEAP customers/vendors as expeditiously as feasible.

SECTION 26.0 PURCHASING/LEASING/RENTING

26.1 General Procurement Requirements

All purchasing will be conducted according to regulations contained in the Office of Management and Budget 2 CFR Chapter I, Chapter II, Part 200, et al. (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)."

26.2 Approval

The purchase, rental or lease of equipment must have prior approval by the Grantee when the purchase price is \$5,000 or more. Equipment is defined as any non-consumable tangible property having a useful life of more than one (1) year.

Upon request, the Subgrantee will provide Grantee with invoice(s) of property purchased. Such purchased property must correspond with approved purchases.

The purchase of all equipment having an acquisition cost of \$5,000 or more remains vested with the Grantee. At the conclusion of the LIHEAP program, such property will be turned over to the State of Iowa as directed by the Grantee.

Upon termination of this Contract, or upon department need of the property, with written notice, the property will be released to Grantee. Appropriate disposition instructions will be issued to the Subgrantee.

26.3 Inventory

The Subgrantee will keep an inventory of property in its possession. Inventories must include the following property characteristics: (a) the serial number, if applicable; (b) the contract number; (c) the description; (d) the date of acquisition; (e) invoice number; (f) the original purchase price; and (g) the physical location of the property.

26.4 Minimum Software Requirements

The Subgrantee will use software for the LIHEAP program, which meet minimum functionality requirements as listed in the *Iowa LIHEAP Policy and Procedures Manual*.

SECTION 27.0 DISPOSITION OF EQUIPMENT AND MATERIALS

The Subgrantee must obtain approval from the Grantee to dispose of unneeded materials and equipment which were purchased with program funds and whose estimated value, at the time of disposal, is \$5,000 or more.

Proceeds resulting from the sale of Energy Assistance equipment purchased with LIHEAP funds must be added back to the LIHEAP Program to the Administrative Costs line item of the current LIHEAP contract.

SECTION 28.0 ALTERNATE SUBGRANTEES

In the event that a Subgrantee is no longer able or willing to administer the Low-Income Home Energy Assistance Program in its service area, or if the Grantee determines that a Subgrantee has defaulted on the Contract to administer the LIHEAP program, the Grantee reserves the right to operate the program or to select an alternate Subgrantee(s) to provide LIHEAP services in the service area of that Subgrantee. A public hearing

will be held to accept comment on the new Subgrantee selection before a Subgrantee is designated. Selection of an alternate Subgrantee will be based on the following criteria: (1) capacity to deliver the required service; (2) quality of work; and (3) geographical proximity to the service area. Contiguous community action agencies will be given primary consideration by the Grantee in selecting an alternate Subgrantee. An appeal of any decision made by the DCAA Administrator may be made to the Commission on Community Action Agencies.

If a Subgrantee does not administer the Iowa Weatherization Assistance Program in any or all of the Subgrantee's service area, one or more Weatherization Subgrantees will administer said program. It is the responsibility of the Subgrantee to provide Weatherization Subgrantees, operating within the Subgrantee's service area, the completed applications for all weatherization households, and any other documentation deemed necessary to perform weatherization services, as required by DCAA.

It is also the responsibility of the Subgrantee to refer or forward Weatherization Assistance Program inquiries to the appropriate Weatherization Subgrantee.

SECTION 29.0 MONITORING

The Subgrantee will cooperate with monitoring visits by the Grantee, Department of Inspections and Appeals, State Auditor, and Federal and State personnel. The Subgrantee will respond in writing within forty-five (45) days of receiving a fiscal or program monitoring report from the Grantee, if the report requires a response.

On-site evaluation visits will specifically monitor:

- Outreach efforts, including hours available for clients to apply and protection of client confidentiality;
- Coordination with other human service agencies;
- The opportunity for a client to complete an application within ten (10) business days of initial contact;
- Time elapsed between application date and payment made to vendor on behalf of client. Subgrantee shall strive to keep elapsed time at fourteen (14) business days or less;
- Proper verification of household income, correct eligibility determination, and accurate award calculation;
- Determination of eligibility at time of application with client letter and appeal and hearing procedure provided to applicants at that time;
- Upload to the data exchange server, where applicable, client application/approval/denial information for both primary and secondary vendors on a weekly basis;
- Weekly submission, where applicable, to the Grantee a composite listing of all applied/approved/denied and paid applications, including all client characteristics, once a week from November through April 30th; and crisis program activity October 1st through September 30th;
- Correct and timely payments of assistance for households as provided in the State Plan;
- Signed vendor agreements with all vendors receiving LIHEAP funds;
- Appeal and hearing procedures;
- Administrative and associated program budget and costs;
- Accounting systems regarding collection of financial information reported to the Grantee and documentation of monthly financial reports and funding requests;
- Other provisions covered in the Contract, the *Iowa LIHEAP Policy and Procedures Manual*, and directives, as deemed necessary and appropriate by Grantee.

SECTION 30.0 ADDITIONAL TERMS AND CONDITIONS

30.1 Purchasing American-Made Equipment and Products

In accordance with Public Law 103-333, the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995," the following provisions are applicable to this grant award:

- Section 507: "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 in this Act should be American-made."
- Section 508: "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, all states receiving federal funds, including but not limited to state and local governments and recipients of federal research grants, 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."

30.2 Drug-Free Workplace Requirements

In accordance with provisions of Title V, Subtitle D of Public Law 100-690 (41 USC 701 et. seq.), the "Drug-Free Workplace Act of 1988," all grantees must maintain a drug-free workplace and must publish a statement informing employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and establishing the actions that will be taken against employees violating these prohibitions. The grantee must notify ACF if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment (see 2 CFR Part 382).

30.3 Smoking Prohibitions

In accordance with Title XII of Public Law 103-227, the "PRO-KIDS Act of 1994," smoking may not be permitted in any portion of any indoor facility owned or regularly used 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 whether directly or through State, Territories, local and Tribal governments. Federal programs include grants, cooperative agreements, loans and loan guarantees, subawards, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions or facilities and used for inpatient drug and alcohol treatment.

The above language must be included in any subawards that contain provisions for children's services and that all sub-grantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1,000 per day.

30.4 Religious Activity Prohibitions

Direct Federal grants, sub-awards, or contracts under these programs shall not be used to support inherently religious activities such as religious instruction, worship, or proselytization. Therefore, organizations must take steps to separate, in time or location, their inherently religious activities from the services funded under these programs (see 45 CFR Part 87).

30.5 Same-Sex Marriage Provisions

In accordance with the decision in *United States v. Windsor* (133 S. Ct. 2675 (June 26, 2013)); Section 3 of the Defense of Marriage Act, codified at 1 USC 7, in any grant-related activity in which family, marital, or household considerations are, by statute or regulation, relevant for purposes of determining beneficiary eligibility or participation, grantees must treat same-sex spouses, marriages, and households on the same terms as opposite sex spouses, marriages, and households, respectively. By "same-sex spouses," HHS means individuals of the same sex who have entered into marriages that are valid in the jurisdiction where performed, including any of the 50 states, the District of Columbia, or a U.S. territory or in a foreign country, regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. By "same-sex marriages," HHS means marriages between two individuals validly entered into in the jurisdiction where performed, including any of the 50 States, the District of Columbia, or a U.S. territory or in a foreign country, regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. By "marriage," HHS does not mean registered domestic partnerships, civil unions or similar formal relationships recognized under the law of the jurisdiction of celebration as something other than a marriage.

30.6 Human Trafficking Provisions

These awards are subject to the requirements of Section 106(g) of the “Trafficking Victims Protection Act of 2000” (22 USC 7104). The full text of this requirement is found at <http://www.acf.hhs.gov/grants/award-term-and-condition-for-trafficking-in-persons>.

30.7 Transparency Act Requirements

Awards under these programs are included under the provisions of P.L. 109-282, the “Federal Funds Accountability and Transparency Act of 2006” (FFATA). Under this statute, the State is required to report information regarding executive compensation and all subgrants, contracts and subcontracts in excess of \$25,000 through the Federal Subaward Reporting System (<https://www.fsr.gov/>) and in accordance with the terms found in Federal regulations at 2 CFR Part 170, including Appendix A. (**NOTE:** This requirement became applicable to all mandatory grant programs July 1, 2011.)

30.8 Federal Awarding Agency Review of Risk Posed by Applicants

As required by 2 CFR 200 of the Uniform Guidance and HHS implementing regulations (45 CFR Part 75) effective January 1, 2016, ACF is issuing guidance to implement the mandatory disclosures provision at 45 CFR 75.113. ACF is required to review and consider any publicly available information about the applicant that is in the Federal Awardee Performance and Integrity Information System (FAPIS), <https://www.fapiis.gov> (45 CFR 75.205(a)(2)). Before making any award in excess of the simplified acquisition threshold (currently \$150,000) over the period of performance (45 CFR 75.2). An applicant may review and comment on any information about itself that a federal awarding agency has previously entered into FAPIS. ACF will consider any comments by the applicant, in addition to other information in FAPIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under federal awards when completing the review of risk posed by applicants as described in 2 CFR §200.205 Federal Awarding Agency Review of Risk Posed by Applicants (http://www.ecfr.gov/cgi-bin/text-idx?node=se2.1.200_1205&rgn=div8).

30.9 Construction Prohibitions

Unless superseded by program-specific regulations, these awards may not be used for construction or the purchase of land.

30.10 Grants Terminated for Cause

The Subgrantee is required to notify the Grantee within 30 calendar days after receiving notice of programs having federal, state, or local grants terminated for cause.