

STATE OF MINNESOTA
MASTER GRANT CONTRACT
State and/or Federal Master Grant Contract: SPPR2013M

This Master Grant Contract is between the State of Minnesota, acting through the Department of Employment and Economic Development (DEED), Workforce Development Division (WDD) ("STATE") and Saint Paul Parks and Recreation; 25 West 4th Street; 400 CHA; Saint Paul, MN 55102 ("GRANTEE").

Recitals

1. The State is in need of a Workforce Development Fund; Youth Employment and Training Program; a Youthbuild Program to provide specialized training and work experience to at-risk, targeted youth, who have not been served adequately by the current educational system; employment and training related services to persons aged 55 and over; and the establishment and support of programs for displaced homemakers to help prepare them for entry into the job market, increasing their chances of being self-sufficient.
2. Under Minn. Stat. § 116J.035; the Workforce Investment Act of 1998 (WIA), Public Law 105-220, as amended; the Older American Community Service Employment Act, Title V of the Older Americans Amendments of 1987, Public Law 100-175 and Public Law 109-365, as amended; Minn. Stat. §§116L.20; 116L.361 - 116L.366; 116L.56 – 116L.561; and 116L.96, the State is empowered to enter into this grant.
3. Minnesota Statute 116J.401 Authorizes Minnesota Department of Employment and Economic Development to administer the Workforce Investment Act Program.
4. This contract is issued in anticipation of receipt of funds by the STATE, for the programs cited below:
 - Workforce Development Fund (Workforce Investment Act of 1998 (WIA), Public Law 105-220, as amended; Minn. Stat. §116L.20);
 - Youth Employment and Training Program (Minn. Stat. §§116L.56 – 116L.561);
 - Youthbuild Program (Minn. Stat. §§ 116L.361 to 116L.366);
 - Older American Community Service Employment Act, Title V of the Older Americans Amendments of 1987, Public Law 100-175 and Public Law 109-365, as amended; and
 - Displaced Homemakers (Minn. Stat. §116L.96); and/or
 - Other appropriated funds received from the federal or state government.
5. The GRANTEE represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the State. Pursuant to Minn. Stat. §16B.98, subdivision 1, the GRANTEE agrees to minimize administrative costs as a condition of this grant.

Master Grant Contract

1 Term of Grant Contract

1.1 **Effective date:** **7/1/2013** or the date the STATE obtains all required signatures under Minnesota Statutes §16C.05, subdivision 2, whichever is later.

The GRANTEE must not begin work under this master grant contract until this contract is fully executed and the Grantee has been notified by the STATE's Authorized Representative to begin the work.

1.2 **Expiration date:** **6/30/2018** or until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3 **Survival of Terms.** The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.

2 Grantee's Duties

2.1 Project Specific Plan This master grant contract will be supplemented with Project Specific Plans as funding opportunities become available. This master grant contract is no guarantee of a Project Specific Plan.

Each fully executed Project Specific Plan issued under this master grant contract will be incorporated into the master grant contract as an amendment and must include an applicable work plan and budget, marked as Attachment "1" Work Plan, and Attachment "2" Budget to the Project Specific Plan. A sample Project Specific Plan is attached and

incorporated into this contract as **Exhibit A**.

The GRANTEE, who is not a state employee, may be requested to perform any of the services identified in the Project Specific Plans as they are added to this master grant contract.

3 Time

The GRANTEE must comply with all the time requirements described in this master grant contract. In the performance of this master grant contract, time is of the essence. The term of work under the Project Specific Plans issued under this master grant contract may not extend beyond the expiration date of this master grant contract.

4 Consideration and Payment

4.1 **Consideration.** All services provided by the GRANTEE under this contract shall be performed to the STATE's satisfaction, as determined at the sole discretion of the STATE and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The GRANTEE shall not receive payment for work found by the STATE to be unsatisfactory or performed in violation of federal, state, or local law. The STATE will pay for all services satisfactorily performed by the GRANTEE, under each fully executed Project Specific Plan issued under this master contract.

The work plan and budget will be attached to the Project Specific Plan. The work plan and budget may be modified upon submittal of a modified Project Specific Plan, and written approval by the STATE. Subsequent year funding is contingent upon meeting the responsibilities of the contract, work plan and budget and /or legislative action. Release of funding under this master grant contract to the GRANTEE is subject to actual receipt of appropriated funds from any source by the STATE and approval by the STATE of the GRANTEE's Project Specific Plan.

No funds shall be expended until the Project Specific Plan has been approved in writing by the STATE.

Funds available under the master grant contract are available for the period(s) indicated on the Notice of Grant Action ("NGA") included as page two of the Project Specific Plans, which may be for a shorter period than indicated in the term of this master grant contract below.

If any additional conditions are required based on funding sources, the appropriate conditions shall be attached to or be a part of the relevant Project Specific Plan.

Funds are to be expended in the cost categories and amounts shown in the approved Budget "Attachment 2 to Project Specific Plans," which indicates allowable costs under this grant.

The STATE shall not reimburse the GRANTEE for any costs determined to be unallowable, as defined in Part II of the Department of Labor's 2011 One-Stop Comprehensive Financial Management Technical Assistance Guide, and any subsequent updates to these guidelines during the period of this grant contract.

The STATE shall not reimburse GRANTEE for payments or liabilities to the Unemployment Compensation Fund incurred as a reimbursing employer after termination of GRANTEE's participation in programs, or for any liability accrued thereunder before the effective date of this grant contract.

4.2. Payment

Invoices. The STATE will promptly pay the GRANTEE after the GRANTEE presents a request for payment for the services actually performed, and the STATE's Authorized Representative accepts the request for payment. Requests for payment must be submitted timely and according to the following schedule:

- Requests for payment shall be made by GRANTEE to the STATE on the STATE's "Cash Request Form" and /or on a reimbursement basis. Payments shall be made by the STATE as soon as practicable after GRANTEE's presentation of the request for payment. The fact of payment of any item shall not preclude the STATE from questioning the propriety of any item.
- Requests for payment under this grant contract shall be in amounts that minimize the time elapsing between the transfer of funds and disbursements in accordance with the STATE's "Grant/Subgrant Cash Management and Cash Request Policy" which is in Chapter 510 of the STATE's Policies and Procedures

Manual and hereby are incorporated by reference and made a part hereof.

5 **Conditions of Payment**

All services provided by the GRANTEE under this grant contract must be performed to the STATE's satisfaction, as determined at the sole discretion of the STATE's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The GRANTEE will not receive payment for work found by the STATE to be unsatisfactory or performed in violation of federal, state, or local law.

6 **Authorized Representative**

The STATE's Authorized Representative is **Bonnie Elsey, Director of Workforce Development Division, 332 Minnesota Street; St. Paul, MN 55101; 651-259-7563; bonnie.elsey@state.mn.us**, or his/her successor. The STATE's Authorized Representative has delegated responsibility to monitor the GRANTEE's performance, and the authority to accept the services provided under this grant contract to program managers under his/her supervision. The acting Authorized Representative will be identified on each Project Specific Plan. If the services are satisfactory, the STATE's acting Authorized Representative will certify acceptance of each request for payment.

The GRANTEE's Authorized Representative must be identified on each Project Specific Plan issued under this grant contract. The GRANTEE's Authorized Representative must be identified by the GRANTEE as having signature authority to enter into a contract with the STATE. If the GRANTEE's Authorized Representative changes at any time during this grant contract, the GRANTEE must immediately notify the STATE.

7 **Assignment, Amendments, Waiver, and Grant Contract Complete**

7.1 **Assignment.** The GRANTEE shall neither assign nor transfer any rights or obligations under this grant contract without the prior written consent of the STATE, approved by the same parties who executed and approved this grant contract, or their successors in office.

7.2 **Amendments.** Any amendments to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in office.

7.3 **Waiver.** If the STATE fails to enforce any provision of this grant contract, that failure does not waive the provision or the STATE's right to enforce it.

7.4 **Grant Contract Complete.** This grant contract contains all negotiations and agreements between the STATE and the GRANTEE. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

8 **Liability**

The GRANTEE must indemnify, save, and hold the STATE, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the STATE, arising from the performance of this grant contract by the GRANTEE or the GRANTEE's agents or employees. This clause will not be construed to bar any legal remedies the GRANTEE may have for the STATE's failure to fulfill its obligations under this grant contract. The liability of the STATE shall be governed by the provisions of the Minnesota Tort Claims Act, Minn. Statutes 3.732 and 3.736, et seq., and other applicable law.

9 **State Audits**

GRANTEE agrees to use such fiscal, audit and accounting procedures as may be necessary to assure and promote sound financial management, including effective internal controls. The Secretary of Labor, the Comptroller General of the United States, and the STATE, or a designated representative, shall have access to and the right to examine, for audit purposes or otherwise, any books, documents, papers or records of GRANTEE. The books, records, documents and accounting procedures and practices of the GRANTEE relevant to this grant contract are also subject to examination by the STATE and the Legislative Auditor of the State of Minnesota. GRANTEE agrees to fully cooperate in any such examination and/or audit and to have said audits carried out in accordance with Minn. Stat. § 309.53 and OMB circular A133 when federal funds are involved. "Grant/Subgrant Audit Requirements," which is in Chapter 509 of the STATE's Department's Policies and Procedures Manual is labeled **Exhibit B**, and is attached, in part, and incorporated into this contract. The GRANTEE acknowledges that this policy is attached as a reference only to state and federal guidelines, and the policy is subject to change.

Under Minn. Stat. §16B.98, subd.8, the GRANTEE's books, records, documents, and accounting procedures and

practices of the GRANTEE or other party relevant to this grant contract or transaction are subject to examination by the STATE and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10 Government Data Practices and Record Retention

10.1. **Government Data Practices.** The GRANTEE and STATE must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the STATE under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the GRANTEE under this grant contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the GRANTEE or the STATE.

If the GRANTEE receives a request to release the data referred to in this Clause, the GRANTEE's response to the request shall comply with applicable law.

10.2. **Record Retention** The GRANTEE understands and agrees that in performing services for or being funded by the State, that it shall be bound by Minn. Stat. § 15.17 requiring that government entities shall make and preserve all records necessary to a full and accurate knowledge of their official activities, and Minn. Stat. §138.17 requiring that records be maintained per an approved records schedule. The GRANTEE understands that it will be bound by these Statutes beyond the termination date of this grant contract.

11 Workers' Compensation

The GRANTEE certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The GRANTEE's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the STATE's obligation or responsibility.

12 Publicity and Endorsement

The GRANTEE must not claim that the STATE endorses its products or services.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant contract. Venue for all legal proceedings out of this grant contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Termination

14.1 **Termination by the State.** The STATE may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the GRANTEE. Upon termination, the GRANTEE will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.2 **Termination for Cause.** The STATE may immediately terminate this grant contract if the STATE finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The STATE may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.3 **Termination for Insufficient Funding.** The STATE may immediately terminate this grant contract **If:** It does not obtain funding from the Minnesota legislature or other funding source; or funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the GRANTEE. The STATE is not obligated to pay for any services that are provided after notice and effective date of termination. However, the GRANTEE will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The STATE will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The STATE must provide the GRANTEE

notice of the lack of funding within a reasonable time of the STATE's receiving that notice.

- 14.4 In the event of any cancellation under this provision, the GRANTEE shall cooperate fully with the STATE and help facilitate any transition for the provision of services by a different vendor. Failure to cooperate with or withholding any information or records requested by the STATE or a different vendor that impairs in any way the transition of the provision of services shall constitute a material breach of this grant contract, subjecting GRANTEE to liability for all damages incurred by the STATE resulting from such breach.

15 Data Disclosure

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the GRANTEE consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the STATE, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the GRANTEE to file state tax returns and pay delinquent state tax liabilities, if any.

Other Provisions

16 Special Administrative Provisions Required

GRANTEE agrees to administer programs according to the regulations and guidelines related to the funding source, including the STATE's WIA Policies. GRANTEE also agrees to comply with other applicable Federal and State laws. In the event that these laws, regulations, or guidelines are amended at any time during the term of this grant contract, the GRANTEE shall comply with such amended laws, regulations or guidelines.

- 16.1 **Program Standards:** GRANTEE agrees to comply with OMB Circulars Numbers A-21, A-87, A-110, A-122, A-133, the OMB "Common Rule" (as codified at 29 CFR 97), ASMB C-10 (Implementation Guide for OMB Circular A-87), as these circulars are applicable and as they relate to the utilization of funds, the operation of programs and the maintenance of records, books, accounts and other documents as amended, and Chapter 509 of the STATE's Policies and Procedures Manual. Under the Cost Principles Circulars (A-21, A-87, or A-122), common or joint costs charged to grants must be based upon written cost allocation plans.
- 16.2 **Salary and Bonus Limitations:** In compliance with Public Law 109-234, none of the funds appropriated in Public Law 109-149 or prior programs under the heading "Employment and Training" that are available for expenditure on or after June 15, 2006, shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of (federal) Executive Level II (www.opm.gov), except as provided for under Section 101 of Public Law 109-149. This limitation shall not apply to vendors providing goods and services as defined in OMB Circular A-133.
- 16.3 **Assurances:** As a condition to the award of financial assistance from the U.S. Department of Labor under Title I of the Workforce Investment Act (WIA), the GRANTEE assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws prohibiting discrimination, including but not limited to:
- 1) The Workforce Investment Act of 1998 (29 CFR, Part 37), Section 188, which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title 1 financially assisted program or activity;
 - 2) Title VI The Civil Rights Act of 1964 (42 USC 2000d), as amended by the Equal Employment Opportunity Act of 1972 which prohibits discrimination on the basis of race, color, religion, sex and national origin, and applies to any program or activity receiving federal financial aid, and to all employers, including state and local governments, public and private employment agencies, and labor organizations;
 - 3) Section 504 of the Rehabilitation Act of 1973 (29 USC 794), as amended, which prohibits discrimination against qualified individuals with disabilities in all federally-funded programs;
 - 4) The Age Discrimination Act of 1975 (42 USC 6101), as amended, which prohibits discrimination on the basis

- of age in programs or activities receiving federal financial assistance;
- 5) The Americans with Disabilities Act of 1990 (42 USC 12101), as amended, which prohibits discrimination on the basis of physical, sensory, or mental disability or impairment and the ADA Amendments Act of 2008 effective January 1, 2009;
 - 6) Title IX of the Education Amendments of 1972 (20 USC 1681-1688), as amended, which prohibits discrimination on the basis of sex in educational programs;
 - 7) Title V of the Older Americans Act of 1965 and all regulations that apply to the Senior Community Services Employment Program, which generally prohibit discrimination under any program funded in whole or in part with Title V funds because of race, color, religion, sex, national origin, age, disability or political affiliation or beliefs;
 - 8) The Minnesota Human Rights Act of 1973 (Minnesota Statutes, Chapter 363A), which prohibits discrimination based on race, color, creed, religion, national origin, sex, marital status, sexual orientation, status with regard to public assistance, disability, citizenship, or age;
 - 9) Equal Protection of the Laws for Faith-based and Community Organizations (EO 13279) signed December 12, 2002. Prohibits discrimination against grant seeking organizations on the basis of religion in the administration or distribution of federal financial assistance under social service programs, including grants, contracts and loans;
 - 10) Jobs for Veterans Act (P.L. 107-288) Establishes a priority of service requirement for covered persons (i.e. veterans and eligible spouses, including widows and widowers) in qualified job training programs.
 - 11) Vow to Hire Heros Act of 2011: Establishes guidelines for service providers who are providing employment, training, academic or rehabilitation services for military veterans.
 - 12) Each GRANTEE and each training provider must also ensure that they will provide programmatic and architectural accessibility for individuals with disabilities. The GRANTEE will follow the requirements of Section 508 standards and Web Content Accessibility Guidelines 2.0 (WCAG2.0) to develop and maintain accessible information and telecommunications technology systems and services (HF 1744/SF 1600 2009-2010).
 - 13) Executive Order 13333: This contract may be terminated without penalty, if the GRANTEE or subgrantee, or the contractor or any subcontractor (i) engages in severe forms of trafficking in persons or has procured a commercial sex act during the period of time that the grant, contract, or cooperative agreement is in effect, or (ii) uses forced labor in the performance of the grant, contract or cooperative agreement. (22 U.S.C. § 7104(G))
 - 14) Seat Belts: Pursuant to Executive Order (EO) 13043 (April 16, 1997), Increasing the Use of Seat Belts in the United States, recipients of federal funds are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating vehicles, whether organizationally owned or rented or personally owned.
 - 15) Text Messaging: Executive Order 13513: Sec. 4, Text Messaging While Driving by Government Contractors, Subcontractors, and Recipients and Subrecipients of federal funds, are encouraged to adopt and enforce policies that ban text messaging while driving company-owned or rented vehicles or Government-owned, Government-leased, or Government-rented vehicles, or while driving privately-owned vehicles when on official Government business or when performing any work for or on behalf of the Government, and to conduct initiatives of the type described in section 3(a) of the Executive Order.
 - 16) The GRANTEE also assures that it will comply with 29 CFR, Part 37, and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIA Title 1 financially assisted program or activity, and to all agreements including lease agreements that the GRANTEE makes to carry out the WIA Title 1 financially assisted program or activity. The GRANTEE understands that the United States has the right to seek judicial enforcement of this assurance, and the STATE has the authority to withhold funding.

17 Purchase of Furniture and Equipment

Any purchase of non-expendable personal property that has a useful life of more than one year at a unit cost of \$5,000 or more must have prior written approval of the STATE.

18 Repayment of Funds

The STATE reserves the right to offset any over-payment or disallowance of any item or items under this grant contract by reducing future payments requested by GRANTEE.

19 Grantee Reports

GRANTEE agrees to provide the STATE with such progress reports, including, but not limited to, the following:

19.1 Expenditure and program income including any profit earned must be reported on an accrual basis.

19.2 Monthly Financial Status Reports (FSRs) by the 20th of each month reporting expenditures for the previous month.

19.3 Use of the Management Information System (as described in 27 below).

19.4 Information as may be deemed necessary to complete the Annual Report to the U.S. Department of Labor as described in the Act, Section 136(d) (1), (2).

19.5 Required Quarterly Program and Quarterly Narrative Reports as specified by the requirements (i.e., due on the 10th day of the month following the end of the quarter for the Senior Community Services Employment Program, if applicable; and First Grant Quarterly Narrative Reports due 30 days after the quarter ends, if applicable).

19.6 Unserved applicant data as may be required by the Minnesota Youth Program, if applicable.

19.7 Special reports as requested.

GRANTEE shall also make such reports to the Governor, the Legislature, the Secretary of Labor, the Comptroller General of the United States, other Federal Entities or the State as any of them may require.

The STATE shall withhold funding if reporting requirements are not met in a complete, accurate and timely manner.

20 Monitoring and Corrective Action

GRANTEE agrees to permit monitoring by the STATE to determine grant contract performance and compliance with grant contract provisions. GRANTEE further agrees to cooperate with the STATE in performing and completing such monitoring activities and GRANTEE agrees to implement and comply with such remedial action as is proposed by the STATE.

21 Relocation Assistance

GRANTEE agrees to comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (Public Law 91-646) which provides for fair and equitable treatment of persons displaced as a result of federal or federally assisted programs.

22 Sectarian Activities

GRANTEE agrees that program participants shall not be employed in the construction, operation or maintenance of that part of any facility which is used for religious instruction or worship. GRANTEE further agrees that no direct financial assistance shall be expended for inherently religious activities, such as, sectarian worship, instruction or proselytization.

23 Drug Free Workplace

GRANTEE agrees to make a good faith effort to maintain a drug free workplace through implementation of the Drug-Free Workplace Act of 1988 (Public Law 100-690).

24 Right-to-Know

The GRANTEE will comply with the Minnesota Right-to-Know Act of 1983 (Minnesota Rules Chapter 5206).

25 DOL TEGL Number 8-09 (and any future issuances)

The GRANTEE will comply with the federal DOL TEGL Number 8-09 which states that no federal and/or state funds can be awarded to the Association of Community Organizations to Reform Now (ACORN) or its subsidiaries.

This prohibition applies not only to a direct recipient of federal and/or state funds, but also to a subrecipient (e.g. a subcontractor, subgrantee, or contractor of the grantee).

26 Job Vacancies

GRANTEE shall list any job vacancy in its personnel complement with MinnesotaWorks.net at www.minnesotaworks.net as soon as it occurs.

27 Management Information System

All GRANTEES must track participants and financial information using an approved management information system.

(If applicable) GRANTEES receiving funds under this grant contract will track participants with the Workforce One (WF1) Case Management System. Data must be submitted per the standards and time frames agreed to by the STATE.

(If applicable) GRANTEES receiving funds under the Senior Community Service Employment Program will track participants with the "SCSEP Performance and Results QPR" system (SPARQ2 system).

The STATE shall withhold funding if data compliance requirements are not met in a complete, accurate and timely manner.

28 Voter Registration

GRANTEE shall provide non-partisan voter registration services and assistance, using forms provided by the Secretary of State, to employees of GRANTEE, program participants and the public as required by Minnesota Statute § 201.162.

29 Debarment and Suspension Certification

The GRANTEE agrees to follow the President's Executive Order 12549 and the implementing regulation "Nonprocurement Debarment and Suspension; Notice and Final Rule and Interim Final Rule," found at 53 FR 19189, May 26, 1988, as amended at 60 FR 33041, June 26, 1995, including Appendix B, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions"; unless excluded by law or regulation.

30 Lobbying Certification and Disclosure

The GRANTEE shall comply with Interim Final Rule, New Restrictions on Lobbying, found in Federal Register Vol. 55, No. 38, February 26, 1990, and any permanent rules that are adopted in place of the Interim Final Rule. The Interim Final Rule requires the GRANTEE to certify as to their lobbying activity. The Interim Final Rule implements Section 319 of Public Law 101-121, which generally prohibits recipients of Federal contracts, grants and loans from using appropriated funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a specific contract, grant or loan.

31 Operating Procedures/Policies

The Grantee hereby acknowledges that it has read and understands the documents located at:

http://www.positivelyminnesota.com/All_Programs_Services/Workforce_Investment_Act/WIA_Policies/index.aspx and <http://www.positivelyminnesota.com/ddp/PolicyDetail.aspx?pol=100> issued by the STATE entitled "WIA Policies." The Grantee further acknowledges that its supervisory personnel to be involved in the administration of the grant contract have read and understand said documents. The GRANTEE agrees to comply with the contents of the aforementioned documents.

32 Interest/Program Income

The GRANTEE shall be responsible for establishing and maintaining records identifying interest and/or investment income earned on advances of program funds. Income so earned shall be added to the existing funding of this grant contract and may be used for any allowable grant expenditure.

33 Grant Contract Closeout

The GRANTEE agrees to submit a final Financial Status Report (FSR) and a payment for the balance of any unspent and unobligated grant funds to the STATE within 45 days after the end of the term of the Project Specific Plan. Accompanying the final FSR shall be a listing of any continuing liabilities on the grant, if applicable. Failure to

submit a final FSR within this period may result in disallowance of payment for any expenditure not previously submitted. The GRANTEE agrees to submit a revised final FSR to the STATE if any additional funds must be returned to the STATE after grant contract closeout.

34 Payment Recoupment (If applicable)

The GRANTEE must reimburse the STATE upon demand or the STATE may deduct from future payments under this grant contract the following:

- 34.1 Any amounts received by the GRANTEE from the STATE for services which have been inaccurately reported or are found to be unsubstantiated;
- 34.2 Any amounts paid by the GRANTEE to a subgrantee not authorized in writing by the STATE;
- 34.3 Any amounts paid by the GRANTEE for services which either duplicate services covered by other specific grants or contracts, or amounts determined by the STATE as non-allowable under the Project Specific Plan;
- 34.4 Any amounts paid by the STATE for which the GRANTEE's books, records and other documents are not sufficient to clearly substantiate that those amounts were used by the GRANTEE to perform services in accordance with the Project Specific Plan; and
- 34.5 Any amount identified as a financial audit exception.

1. GRANTEE

Saint Paul Parks and Recreation

The Grantee certifies that the appropriate person(s) have executed the grant contract on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

2. STATE AGENCY

Minnesota Dept. of Employment and Economic Development

By: _____

(with delegated authority)

Title: _____

Date: _____

EXHIBIT A

Master Grant # _____

Grant ID# _____

Modification # _____

STATE OF MINNESOTA PROJECT SPECIFIC PLAN

GRANTOR/STATE	GRANTEE
MN Department of Employment and Economic Development Workforce Development Division 1 st National Bank Building 332 Minnesota Street, Ste. E200 Saint Paul, MN 55101-1351	INSERT ADDRESS OF GRANTEE
AUTHORIZED REPRESENTATIVE	AUTHORIZED REPRESENTATIVE
NAME: TITLE: TELEPHONE NUMBER: EMAIL:	NAME: TITLE: TELEPHONE NUMBER: EMAIL:

REQUIRED ATTACHMENTS:
Attachment 1 - Work Plan
Attachment 2 - Budget

Indicate additional attachments in this space

SUBMITTED BY (Grantee):

I certify that the information contained in the attached Work Plan and Budget, labeled Attachment 1 and Attachment 2 respectively, is true and accurate to the best of my knowledge and that I submit this Project Specific Plan on behalf of the Grantee.

Name:
Title:

Date:

APPROVED BY (Grantor/State):

I have reviewed and approved the attached Project Specific Plan, which is referenced in and incorporated as an amendment to the Master Grant Contract indicated herein.

Name:
Title:
Minnesota Dept. of Employment & Economic Development

Date:

FOR DEED OFFICE USE ONLY

Program Name: _____			
Grant Start Date: _____		Current Grant Amount: _____	
Current Grant End Date: _____		Original Grant Amount: _____	
Proposed Grant End Date: _____		Amount of Previous Modifications: _____	
Amount of Current Modification: _____			
Encumbrance Date	Supplier Contract#	NGA#	Vender#

AFS Signature _____ PO# _____

Master Grant # _____

Grant ID# _____

Modification # _____

INSERT NOTICE OF GRANT ACTION (NGA)

ATTACHMENT 1

INSERT WORK PLAN

ATTACHMENT 2

INSERT BUDGET

August 1, 2012

GRANT AUDIT REQUIREMENTS
FEDERAL AND STATE ASSISTANCE GRANTS

- A. Grantees receiving federal assistance (in federal OMB Circular language, known as subrecipients) from the State of Minnesota must comply with the Single Audit Act Amendments of 1996 and [OMB Circular A-133](#) "Audits of States, Local Governments, and Nonprofit Organizations," as amended.
1. Audit requirements for state funds: In accordance with M.S. § 309.53 subd. 3, grantees with annual fiscal year revenues exceeding \$750,000 are required to have an annual financial statement audit per generally accepted auditing standards. State statute may be altered at any time. DEED will follow the most current standards and thresholds as indicated by statute.
 2. Audit requirements for federal funds (OMB A-133, as amended):
 - a. Audit required. Non-Federal entities that expend \$500,000 or more a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part. Guidance on determining Federal awards expended is provided in § ____.205.
 - b. Single audit. Non-Federal entities that expend \$500,000 or more a year in Federal awards shall have a single audit conducted in accordance with § ____.500 except when they elect to have a program-specific audit conducted in accordance with paragraph (c) of this section.
 - c. Program-specific audit election. When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal program's laws, regulations, or grant agreements do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with § ____.235. A program-specific audit may not be elected for R&D unless all expenditures are for Federal awards received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.
 - d. Exemption when Federal awards expended are less than \$500,000. Non-Federal entities that expend less than \$500,000 a year in Federal awards are exempt from Federal audit requirements for that year, except as noted in § ____.215(a), but records must be available for review or audit by appropriate officials of the Federal or state agency, pass-through entity, and General Accounting Office (GAO).
 - e. The audit standards and thresholds for Federal awards may be altered by OMB at any time. DEED will follow the most current standards and thresholds as adopted by the OMB for Federal awards.
 3. The grantee agrees that the federal agency, the General Accounting Office, the grantor, the legislative auditor, the state auditor, and any independent auditor designated by the grantor, must have such access to grantee's records and financial statements as may be necessary for the grantor to comply with the Single Audit Act Amendments, OMB Circular A-133, and these requirements as applicable.
 4. For profit grantees and subgrantees. Since A2 above does not apply to for profits, grantees must monitor their subgrantees through a compliance audit by one or more of the following: a) pre-award audits or surveys; b) monitoring during the contract; and/or c) post award audits as defined by DEED.
- B. DEED requires the following:
1. Federally funded performance based contracts are included in the definition of federal assistance.
 2. Grantees must repay DEED disallowed costs in cash from non-DEED sources (state or federal) or as stated in the grant agreement.
 3. Grantees must also submit comments on the findings and recommendations in the single audit report **AND management letter**, including a plan for corrective action taken or planned, and comments on the status of corrective action taken on prior findings.
 4. Grantees that have a financial audit must also submit any management letter issued by their CPA firm and a written response to the items addressed in the letter.
 5. Grantees (and all tiers of subgrantees except OJT contractors) must use the federal OMB Circulars [A21](#), [A87](#), [A110](#), [A122](#), [Common Rule](#) and others as applicable (including modifications) in the administration of all DEED federal and/or state funded grants. General modifications in the circulars:
 - a. DEED stands in the place of the federal agency in the language of the circulars.
 - b. Grantees may use their own rules and procedures if they meet the above standards or are more restrictive.

- c. Where choices are available, the grant agreement must clearly indicate the required choice (i.e., program income treatment).
 - d. Grantees' code of ethics must include real, apparent, or potential conflicts of interest regarding procurement and other matters.
6. Certain DEED grantees are required to have limited scope compliance audits performed (requirements are separately transmitted) per generally accepted auditing standards, such as:
 - The Extended Employment Program, or
 - Grantees that are requested by DEED to have such an audit conducted.
 7. Grantees of both federal and state funds must have a written cost allocation plan that clearly explains how joint costs are to be charged to each program that the organization operates, or a federally approved indirect cost rate.
- C. DEED requires that the audit report contain, in the notes to the financial statements:
1. A brief summary of the methods used to allocate joint costs or a statement that the agency has a federally approved indirect cost rate.
 2. A list of all organizations to which the grantee subgranted \$25,000 or more in DEED state or pass-through federal funds or a note that no DEED funds are subgranted.
- D. DEED requires that auditors:
1. Make sure that subgrantee audit reports are being obtained and adequately reviewed.
 2. Review cash management for both state and federal grants. Federal cash management guidelines also apply to state funds. Violations must be disclosed in the audit report.
 3. Ensure that all **material related party transactions** are disclosed in the notes to the financial statements. This includes separate entities if a grantee's staff or board member has a financial interest in the entity, if a staff or board member of the grantee is on the board of the separate entity, or if a staff or board member of the grantee is actively involved in the daily operations of the entity, e.g., related party ownership of buildings, equipment, services, etc.
- E. Annual reports must be submitted:
1. For A-133 Audits (including financial statement audits that accompany the A-133 audits):
 - a. A paper or electronic copy of the single audit reporting package, as defined in A-133 section 320 (c), financial statement audits **and management letter (with responses)** must be submitted by the auditor and received by DEED. The audits must be received within the required time frame prescribed by the current federal statute, policy, or regulation. The current requirement is nine months. In addition, when requested by DEED, grantees must provide copies of all audits conducted even though the audits were not required.
 - b. A copy of the reporting package must be filed by the auditor with the Office of the State Auditor (OSA) Single Audit Division, 555 Park Street, St. Paul, Minnesota 55103, within the required time frame.
 - c. A copy of the reporting package must be sent within 30 days after issuance to: Federal Audit Clearinghouse, Bureau of the Census, Data Preparation Division, 1201 East 10th Street, Jeffersonville, Indiana 47132.
 2. For Financial Statement Audits Only (A-133 audit not required). A paper or electronic copy of the financial statement audits **and management letter (with responses)** must be submitted by the auditor and received by DEED within the required time frame prescribed by the current applicable statute, policy, or regulation. The current time frame is six and one-half months. In addition, when requested by DEED, grantees must provide copies of all audits conducted even though the audits were not required.
- F. DEED grantees who then in turn subgrant DEED funds, and all additional tiers of subgrantees, must do the following:
1. Require their subgrantees to follow the audit requirements in this document. When requested by AFS or program staff, grantees must provide copies of all audits conducted even though the audits were not required.
 2. Establish a subgrantee audit resolution, debt collection and monitoring system.
- G. Allegations of fraud and abuse, and investigations initiated and completed by the grantee and its subgrantees, must be immediately reported, and a written report sent, to the DEED Program Director and to AFS.
- H. DEED has oversight responsibilities for employment and training activity of MFIP (TANF) programs even though the funds originally come through the Minnesota Department of Human Services. DEED is concerned about all levels of subgranted funds. By law, these grants/contracts must be operated on a cost basis. If any fund balances have accumulated, that information should be disclosed in the footnotes, the financial statements, or as supplementary information of the audit report.