

# Office of Vocational Rehabilitation

## Grant Agreement

### Terms and Conditions

**GRANTEE**

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(Name of Agency)

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(Address)

possesses legal authority to receive a Grant Agreement and hereby assures and certifies that it will comply with the regulations, policies, guidelines, and requirements set forth herein as they relate to the Grant Agreement. The purpose of this project, as described specifically in the Statement of Work, is the establishment or improvement of independent living options and community access through the Local Systems Change Project for persons with significant disabilities as identified in the State Plan for Independent Living. This project is funded with Title VII, Part B funds through the Rehabilitation Act of 1973, as amended – CFDA 84.169A – Independent Living – State Grants.

- A.** The use of Federal funds by the Grantee under the Rehabilitation Act of 1973, as amended, must not result in a decrease in level of effort to provide services to persons with disabilities. Services provided under the Act should strengthen and integrate, not duplicate or replace, existing services.
- B.** Any project or program information released by the Grantee through the news media or for public information must identify the Office of Vocational Rehabilitation as a funding source, and a copy of the release must be forwarded to the Contractor and Grantee Services Division, OVR Central Office and to the Pennsylvania State Independent Living Council (PASILC).
- C.** OVR and PASCIL shall monitor and evaluate the program, the financial operation of this grant, and any subgrants awarded under this Grant Agreement.
- D.** Grantee shall notify all subgrantees of the provisions of this agreement, conduct compliance reviews at reasonable times to insure adherence to all civil rights and discrimination laws and other applicable provisions of this grant, and notify OVR of any violations or suspected violations.

The Grantee certifies that it shall be adequately staffed with personnel qualified to carry out the project, and that grant funds for staffing may be utilized only during the term of the Grant Agreement.

**STAFF REQUIRED  
FOR GRANT  
PROJECT**

Direct salary charges for project staff must be supported by time/activity reports (Staff Certification Forms) completed by each employee and verified by his/her supervisor.

Staff Certification Forms must be completed and submitted monthly and must reflect the total time the employee spends in grant supported activities, as well as any changes in assignment. All grant-related activities and the number of hours spent accomplishing these activities must be described on the Staff Certification Form.

Salaries for grant staff shall be based upon the Grantee's established salary and wage scales for comparable positions (classifications). General raises should also be extended to the grant staff; however, grant monies may be used to fund such raises only if such anticipated raises have been included in the Grantee's budget.

**BUILDING AND FACILITY**

Grant funds may not be used to finance building expansion.

**EQUIPMENT**

The Grantee shall be adequately prepared to carry out the funded project. The Grantee certifies that equipment requested for its use in administering this project is not already on hand and is required for the operation of the grant Project.

All purchases (including, but not limited to, equipment) made by the Grantee with a cost of five thousand dollars (\$5,000) or more per individual item shall be competitively bid. The Grantee shall request written bids from at least three (3) vendors, which include a description of the equipment and price quote. The lowest responsible bid shall be accepted.

If a competitive bid is not possible, the Grantee shall provide OVR with a written explanation of the circumstances that preclude a competitive bid and request sole source approval for the proposed purchase. Written OVR approval of the sole source justification must pre-date expenditure of grant funds.

**EQUIPMENT TITLE**

OVR shall hold first lien on all equipment, with a cost of \$5,000 or more per individual item, purchased under this grant for a period of five (5) years. The value of OVR's lien, as registered with the PA Department of State, will equal the portion of the equipment purchase price financed by OVR through this grant. The Grantee will file OVR's lien with the PA Department of State using the Financing Statement, Uniform Commercial Code UCC-1.

Ownership of such equipment will revert to OVR if the terms of the grant are violated, or if the project has terminated while OVR holds the aforementioned lien.

Equipment purchased with grant funds may not be offered as collateral in any transactions while OVR holds a lien against such equipment.

**EQUIPMENT  
REGISTRATION**

The Grantee shall file the Form UCC-1, Uniform Commercial Code Financing Statement with the PA Department of State in order to register OVR's interest in grant-purchased equipment. The Grantee (Debtor, as identified in the UCC-1 filing), shall pay all filing fees required by the Commonwealth of PA and the Contractor shall furnish OVR with proof that OVR's security interest has been registered in an effective and timely manner. Filing fees may **not** be paid with grant funds.

The Grantee will obtain copies of form UCC-1 Financing Statement from the PA Department of State. The UCC-1 Financing Statement and instructions are available online at <http://www.dos.state.pa.us/corps/cwp/view.asp?a=1093&Q=431210&corpsNav>, or through the PA Department of State voice mail system by calling (717) 772-0677.

Information concerning filing fees is available online at <http://www.dos.state.pa.us/corps/cwp/view.asp?a=1093&Q=431161&corpsNav> or by telephone at (717) 787-1057.

**LANDLORD  
WAIVER**

If grant-purchased equipment is placed in rented premises, a Landlord's waiver must be executed by the landlord prior to the placement of the equipment on the premises.

**COMPLIANCE  
WITH  
APPLICABLE  
LAWS**

The Grantee, subgrantees, and participating employers shall:

- A. Comply with applicable laws and regulations relating to employee health, safety, and sanitation.
- B. Comply with applicable laws with respect to fire protection, safety devices or guards on machinery, and accident hazards.
- C. Comply with applicable federal, state, and local minimum wage and hour laws.
- D. Comply with applicable Workers Compensation statutes relating to work accidents and occupational diseases.
- E. Safeguard the rights and welfare of human subjects who are involved in activities supported by Federal funds. For purposes of this policy, a human subject is an individual who may be exposed to the possibility of physical, psychological, sociological or other harm as a result of any activity that goes beyond the application of those established and accepted methods necessary to meet the subject's needs.

**EVALUATION  
COMPONENT**

The Grantee shall perform an analysis of the total grant that will identify the results and effectiveness of the project as measured by the Statement of Work, Deliverables, goals and objectives, and the benefits to the individuals and communities served. The Contractor shall conduct surveys of project participants' satisfaction with services rendered under the grant.

## **CONTROL OF EXPENDITURES**

The Grantee shall maintain adequate accounting records for this grant, separate and apart from records kept for its usual operation and other contracts/grants, to assure reconciliation of all project costs.

The Grantee shall make its records available at its office, at all reasonable times during the term of this grant, for inspection, audit or reproduction by an authorized representative of the Secretary of Labor and Industry or the Auditor General. Invoices for all equipment and other expenditures must be retained and are subject to audit. If non-grant items are noted on the same invoice, items that are grant-related must be identified. If this grant is terminated, the records relating to this grant shall be retained and available for a period of six (6) years from the date of any final settlement.

- I. Monies received by the Grantee from OVR must be immediately deposited into a separate interest-bearing checking or savings account, or assigned to a dedicated cost center through which the movement of grant funds may be readily traced. Earned interest and program income may be used to support Project operations with approval from OVR.
  - A. Checks used in grant-related transactions must be clearly imprinted with or otherwise show the indelible notation of **OVR SPIL-Local Systems Change – 2014** and refer to the dedicated cost center.
  - B. All transactions must have supporting documentation in the grant file and must be related to the grant purposes.
  - C. Funds may not be commingled. If funds are commingled, the total monies paid under this grant must be returned to OVR upon demand.
    - Commingle means depositing or recording funds in a general account without the ability to identify each specific source of funds for any expenditure.
    - The funds from each funding source must be identifiable with a clear audit trail for each source. As expenditures occur it is appropriate for those funds to be consolidated for carrying out a common purpose.
  - D. Grant funds may be used only for the purposes of this grant. Temporary transfers such as payment of debts and/or purchase of non-grant items with grant funds may not be made from the grant funds. If funds are improperly transferred, the total monies paid under this grant must be returned to OVR upon demand.
  - E. For Grants of \$100,000 or more, the Grantee shall secure an independent audit of funds awarded under the grant and submit the audit report within 180 days after the end of the grant period. OVR requires an independent audit that is completed by a Certified Public Accountant (CPA). The CPA should have no dealings with, nor

receive compensation from, the organization during the audit time period. The audit must be a bound copy or it can be emailed to us in .pdf format by the auditor. The audit is to be an in-depth examination of the financial statements for the entire organization with a written opinion by the CPA regarding those statements. The audit shall cover the grantee's receipts and expenditures under the grant. It should also include all items required by an audit conducted in conformance with the Generally Accepted Auditing Standards and be accompanied by reports that are prepared and signed by the auditor. Such audit shall be performed for the period(s) of the grant. The report of the audit shall be provided to OVR within 180 days after the end of each grant period.

If the Grantee is subject to audit under the terms of Circular A-133, then such independent A-133 audit will satisfy the independent audit requirements of this grant.

Delivery of the A-133 audit report to OVR will occur in a timely manner consistent with A-133 regulations. If the A-133 audit cannot be presented to OVR within 180 days, The Grantee is responsible for notifying OVR of that fact. Notification will take the form of a letter addressed to the Division Chief, OVR Contractor and Grantee Services Division, advising OVR of when the A-133 audit will be submitted. OVR's written acceptance of the projected submittal date waives the grant's 180-day audit due date. The Grantee will retain the OVR 180-day waiver with the records of this grant.

- II.** Grant monies shall be expended in accordance with this Grant Agreement.
  - A.** The Grantee may pay wages and fringe benefits for staff funded through this grant from its General or Payroll Account, then reimburse its General or Payroll Account for such advance using grant funds. Reimbursement may be every pay period but, at minimum, must be every calendar quarter. The Grantee may reimburse gross payroll each payday, reimburse life insurance and health care insurance each month, and reimburse taxes the month succeeding the calendar quarter. Vouchers for each check written must be maintained to document each transfer from the grant account to the General or Payroll Account. Any such reimbursement must closely parallel the payment to be made from the General Account or Payroll Account.
  - B.** Grantees electing Unemployment Compensation coverage as reimbursable employers may not use grant money to build a contingency fund against possible future Unemployment Compensation claims. Grant payment for Unemployment Compensation claims filed against the Grantee electing this form of coverage is not permitted.

- C. Use of grant funds for expenditures other than those approved in the grant budget, or in a subsequent Budget Revision Request (BRR), is prohibited. Grant funds shall not be transferred to any other Grantee accounts. Exception to this provision is permitted only in the case of payroll, as noted previously, and for transfer of grant funds to cover expenditures incurred after the effective date of the grant, but prior to receipt of grant funds.
- D. In grants with more than one expenditure category (e.g., staffing and equipment) the monies allotted to each expenditure category may not be exceeded without an approved Budget Revision Request. OVR recognizes that actual expenditures may exceed allowances; however, if expenditure will exceed an estimate by twenty-five percent (25%), the BRR must be approved by OVR prior to the expenditure. If Salary for a grant staff position, combined with Fringe Benefits for that position, will exceed the estimate by ten percent (10%), the BRR must be approved by OVR prior to the expenditure.

If the total amount for a grant category is exceeded, the Grantee is liable for the excess, unless the Program Analyst, OVR Contractor and Grantee Services Division, approves the expenditure in writing.

- E. If, in the expenditure category *Staff*, the grant narrative includes part-time positions and the actual time on project activities exceeds the percentage indicated on the application, then the percentage of time specified on the application will take precedence. As a general rule, the percentage of time associated with a staff position would be equally distributed throughout the grant year. For example, if a staff position is for forty percent (40%) of the time on the Project, the contract account should fund the position for two (2) days a week for 52 weeks. Staffing covers the normal work day or work week for the position. Any variations should be specified in the grant narrative or will require a BRR with approval prior to implementation.
- F. Travel costs should be reported in the expenditure category *Other*. OVR shall recognize travel costs associated with the grant. All such travel costs must be consistent with Commonwealth Travel Regulations.

### III. Grant Agreement budgets may be revised.

- A. Line items in the grant budget may be revised as noted in **Parts II, C and II, D, CONTROL OF EXPENDITURES**. Surplus, undesignated grant funds resulting from an approved Budget Revision Request may be used for other program-related items if written permission to do so is secured from the Program Analyst, OVR Contractor and Grantee Services Division.

- B. OVR's written approval of the Budget Revision Request, whenever applicable, must be retained by the Grantee for six (6) years from the date of any final settlement. It is the responsibility of the Grantee to obtain written approval from the OVR Contractor and Grantee Services Division Program Analyst to make changes.
  - C. All items purchased with grant monies, but not specifically approved in the original grant or through a Budget Revision Request, will be considered as audit exceptions. If audit exceptions are not granted, the Contractor must make appropriate refunds to OVR.
- IV. Items approved by the original Grant Agreement or subsequent Budget Revision Requests must be purchased and/or obligated prior to the expiration date of the grant.
- A. Documentation that the funds were obligated prior to the expiration date will require Grantee to provide purchase orders or signed purchase contracts. OVR's approval of a Budget Revision Request permits expenditure for those approved items, but does not constitute obligation of funds by the Grantee for their purchase.
  - B. Staff salaries and fringe benefits may not be obligated for future payment.
  - C. If obligated funds are not supported by purchase orders or signed contracts, the Grantee must make appropriate refunds to OVR.

**QUARTERLY  
NARRATIVE  
AND FINANCIAL  
STATEMENT  
REPORT**

The Grantee shall submit to the PA Statewide Independent Living Council (PASILC) and to the Contractor and Grantee Services Division, within fifteen (15) days after the end of each calendar quarter of the grant, a Program Narrative and Financial Statement Report. The Quarterly Narrative Report shall demonstrate the Grantee's implementation of its Program Evaluation System.

The narrative report shall include at least the following information:

- A summary of project activity to include the status of each Deliverable in the Statement of Work and other goals and objectives;
- Data driven summary of outcomes being tracked; including starting point, current status and goal;
- Challenges and/or barriers involved in meeting proposed outcomes;
- Strategies to address challenges and/or barriers;
- Identification of technical assistance requirements.

**(NOTE: Failure to provide OVR Quarterly Reports in a timely manner, as specified in paragraph one of this Section, will result in interruption of OVR grant payments.)**

**FINAL  
NARRATIVE  
REPORT**

A Final Expenditures Report and Narrative Report covering grant activities over the entire project period must be submitted within 30 days after the end of the project. The grantee shall email the final report to the Contractor and Grantee Services Division, Central Office, and to the PASILC. At least the following information must be included in the narrative:

- a. A statement of the progress toward achieving the Project's Deliverables, goals and objectives.
- b. Itemization of how grant funds were utilized, including:
  - (i) The Grant staff hired, if applicable.
  - (ii) Equipment purchased by the Grantee. (List equipment and purchase price.)
  - (iii) Other benefits resulting from the grant.
- c. Description of the major problems and difficulties encountered in the project and their resolution.
- d. Status of plans for continuing project activities after expiration of grant support for the project.

**TERMINATION**

- A. This Grant Agreement may be terminated by the Commonwealth in whole, or in part, if for any reason the OVR Executive Director shall determine such termination is in the best interest of the Commonwealth. Any such termination shall be effected by delivering to the Grantee a notice of termination specifying the extent to which performance of the work under the grant is terminated and the date on which such termination becomes effective. The grant shall be equitably adjusted to compensate for such termination and the grant modified accordingly.
- B. If the Grant Agreement is terminated by the Commonwealth, in addition to any other rights provided in this paragraph, the Commonwealth may require the Grantee to deliver to the Commonwealth, in the manner and to the extent directed by the OVR Executive Director, such partially completed reports or other documentations as the Grantee has specifically produced or specifically acquired in connection with this grant.
- C. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this grant.

**SUBGRANTS**

Unless provided for in this grant, no subgrant shall be made by the Grantee with any other party to furnish any of the work or services herein granted without written approval from OVR. Any subgrant hereunder entered into, subsequent to the execution of this grant, must be approved by OVR. Any subgrant entered by the Grantee with a value of five thousand dollars (\$5,000) or more shall be competitively bid or supported by sole source justification approved in writing by OVR in advance of entering the subgrant.

This provision does not require the approval of contracts of employment between the Grantee and its personnel assigned for services thereunder. Any approved subgrantee must comply with the terms and conditions of this grant and must make available to OVR any records for inspection or other documentation related to the subgrant or this grant. The Commonwealth may undertake or award other grants for additional or related work, and the Grantee shall fully cooperate with other Grantees, subgrantees and Commonwealth employees.

**DISCLAIMER**

The Grantee hereby certifies that it is not in receipt of funds from any other Federal source covering any portion of the project covered by this grant. If this certification is false, this grant may be revoked in whole or in part, and any monies paid hereunder shall be refunded to OVR with any penalties that may be imposed by law or regulations.

**TERM OF GRANT**

The term of the grant is upon the effective date until June 30, 2015 with an option to renew for 15 additional months and is subject to satisfactory compliance with the terms and conditions of the grant, including compliance with the approved Statement of Work, unless otherwise modified in accordance with the grant. Services will not be accepted and work will not begin until this Grant Agreement is processed and completely executed. The Commonwealth will not be obligated to pay for services without a completely executed and approved Grant Agreement. This Grant Agreement will be in effect on July 1, 2014 or the date upon approval of the final Commonwealth signatory, which ever date comes later.

**GRANT COST**

- A. Grant is being funded for the initial time period mentioned above in the amount of: \_\_\_\_\_ (Dollars).
- B. For any subsequent renewal periods, the Grantee must submit a budget, work plan, and other required documents prior to March 1 of such period, and such submission is approved in writing by OVR. OVR shall notify the Grantee in writing of the total cost authorized during each period. The approved total cost for the first grant period is set forth in Section A., above. The total cost of each subsequent renewal period must be approved by (1) execution by OVR and its Comptroller, the form shown as this grant's **FUNDING ADJUSTMENT FORM**, and (2) written approval by OVR of the Grantee's budget for each period. Copies of the afore-mentioned documents shall be incorporated in and made part of this grant. The Grantee must utilize such funding in accordance with the approved budget for the period.

- C. If OVR determines that additional Title VII, Part B Program monies are available for use during any period within the term of this grant, OVR may, at its option, increase the approved total cost for any such period by an amount not to exceed One Hundred Thousand dollars (\$100,000).

If an increase in funds is anticipated, OVR shall notify the Grantee in writing of the potential increase. Within thirty (30) days of receipt of notification of the potential increase, the Grantee shall submit to the Program Analyst for approval a revised budget and project narrative reflecting the anticipated increase.

If the revised budget and project narrative are approved by OVR, the Program Analyst shall notify the Grantee, in writing, of the approved amount of increase.

The increases up to \$100,000 for any such period must be approved by (1) the form executed by OVR and the Comptroller shown as this Grant's **FUNDING ADJUSTMENT FORM**, and, (2) written approval by the Program Analyst of a revised grant budget and project narrative. Copies of the aforementioned documents shall be incorporated in and made part of this Grant.

- D. OVR may, in its sole discretion, reduce the total cost of the Grant for any period if (1) the funds appropriated by the General Assembly or by the Federal Government are less than anticipated by OVR or (2) the funds appropriated are made unavailable by a reduction in funds. In either case, OVR shall notify the Grantee promptly of the reduced total cost for any period of this Grant. Such notice shall be incorporated in and made a part of the Grant Agreement. The Grantee shall submit to OVR for its approval a revised budget to conform to the decreased amount of funds. If the Grantee does not submit a revised budget, or the parties are unable to agree on the revised budget for the period in question, OVR, after consultation with the Grantee, shall unilaterally establish the revised budget. The revised budget for the annual period shall be evidenced by the execution by OVR and its Comptroller of the form attached herein as **FUNDING ADJUSTMENT FORM**, and a copy of the revised grant budget. These documents shall be incorporated in and made a part of the grant.
- E. OVR may, at any time, review the Grantee's use of funds during any grant period either through request for documentation or onsite visit. OVR may, after review of the Grantee's performance, reduce the total amount of the grant. If OVR exercises this right, it shall notify the Grantee in writing.

The reduction shall be effective upon mailing of the written notice. Within thirty (30) days of the date of such notice, the Grantee shall submit for Program Analyst approval a revised budget and project narrative that reflects the reduction. If the Grantee does not submit a revised budget and project narrative, or if OVR and the Grantee are unable to agree on a

revised budget, OVR, after consultation with the Grantee, may unilaterally establish the revised budget. The revised budget for the period will be evidenced by the execution by OVR and its Comptroller of the form attached herein as **FUNDING ADJUSTMENT FORM** and a copy of the revised grant budget. These documents shall be incorporated in and made a part of the grant.

## **ADVANCE PAYMENT PROCESS**

- A.** Grantee will submit to OVR a Request for Funds (RFF) for advance payment for anticipated costs to perform services during each quarter under the grant. OVR will provide a template form for the RFF, as well as instructions for its use, a submission schedule, and a spreadsheet to maintain a record of monthly expenses. This RFF must be submitted electronically to the OVR Resource Account.
- B.** Upon receipt OVR will process the RFF and arrange for payment to be issued in the amount requested. Payment will be effected through the Automated Clearing House Network, as outlined in the PA Electronic Payment Program, per Management Directive 310.30, issued May 22, 2009.
- C.** If more funds are advanced than actually used by the Grantee during a particular quarter, those funds will be offset against future advance payment requests.
- D.** If additional funds were utilized by the Grantee during a particular quarter, the grantee will submit a supplemental RFF.
- E.** The Grantee will provide documents, invoices, receipts, and other verification of expenditures to OVR. This documentation should be supplied electronically, on a quarterly basis.
- F.** OVR will review the documentation in support of expenditures and perform a reconciliation to determine whether expenditures were appropriate under the grant. Expenses deemed questionable will require additional justification. Expenses deemed inappropriate will be deducted from future requests for reimbursement. Any expenses deemed inappropriate at the end of each fiscal year must be returned to OVR, along with any interest earned on the amount deemed inappropriate.

## **PA ELECTRONIC PAYMENT PROGRAM (PEPP)**

- A.** The Commonwealth will make payments to the Grantee through the Automated Clearing House (ACH) Network. Within 10 days of the grant award, the Grantee must submit or must have already submitted its ACH and electronic addenda information, if desired, to the Commonwealth's Payable Service Center, Vendor Data Management Unit at 717-214-0140 (FAX) or by mail to the Office of the Comptroller Operations, Bureau of Payable Services, Payable Service Center, Vendor Data Management Unit, 555 Walnut Street, - 9<sup>th</sup> Floor, Harrisburg, PA 17101.

- B. The Grantee recipient must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the Grantee to properly apply the state agency's payment to the respective invoice or program.
- C. It is the responsibility of the Grantee to ensure that the ACH information contained in the Commonwealth's Central Vendor Master File is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

## GENERAL

- A. The Grantee will comply with Titles VI and VII of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by the Department of Health and Human Services (45 CFR Part 80) issued pursuant to that title, to the end that, in accordance with Titles VI and VII of that Act and the Regulation, no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from OVR; and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.
- B. The Grantee will comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d) prohibiting employment discrimination where **a)** the primary purpose of a contract is to provide employment or **b)** discriminatory employment practices will result in unequal treatment of persons who are, or who should be, benefiting from the grant-aided activity.
- C. The Grantee will comply, as applicable, with the programs of Title V, Sections 503 and 504 of the Rehabilitation Act of 1973, as amended or stated as administered by the Office of Federal Contract Compliance Program and the Office of Civil Rights, respectively, which prohibit discrimination against qualified job applicants on the basis of physical or mental disability and has executed the *Assurance of Compliance* with Section 504 of the Rehabilitation Act of 1973, as amended.
- D. The Grantee will comply, as applicable, with the provisions of the National Environmental Policy Act of 1969 (P.L. 90-190).
- E. The Grantee will establish safeguards to prohibit employees from using their positions for a purpose that is, or gives the appearance of being, motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
- F. The use of Federal funds by an approved Grantee under the Rehabilitation Act of 1973, as amended, must not result in a decrease in level of effort to provide services to persons with severe disabilities. Services provided under the Act should strengthen and integrate, not duplicate or replace, existing service.

- G. An approved Grantee shall encourage and allow, wherever possible, maximum community participation.
- H. It is understood by the Grantee and agreed that any issues or situations arising relative to this grant, but not specifically covered in the text of this grant nor stated in the grant narrative, are subject to and governed by other existing Grants Administration Regulations and/or policies as established by the Federal Office of Management and Budget (OMB), Rehabilitation Services Administration (RSA) or the State VR agency, whichever takes precedence.
- I. OVR has a monitoring and evaluation responsibility for all grants awarded to another service agency. This responsibility applies to program and financial aspects of this grant and any subgrants.
- J. The Grantee agrees that the Commonwealth may set off the amount of any state tax liability or other debt of the grantee or its subsidiaries that is owed to the Commonwealth and not being contested on appeal against any payments due the contractor under this or any other grant with the Commonwealth.

**K. NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE**

The Grantee agrees:

- a. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the grant agreement or any subgrant agreement, contract, or subcontract, the Grantee, a subgrantee, a contractor, a subcontractor, or any person acting on behalf of the Grantee shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this commonwealth who is qualified and available to perform the work to which the employment relates.
- b. The Grantee, any subgrantee, contractor or any subcontractor or any person on their behalf shall not in any manner discriminate against or intimidate any of its employees on account of gender, race, creed, or color.
- c. The Grantee, any subgrantee, contractor or any subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- d. The Grantee, any subgrantee, contractor or any subcontractor shall not discriminate by reason of gender, race, creed, or color against any subgrantee, contractor, subcontractor or supplier who is qualified to perform the work to which the grant relates.
- e. The Grantee, any subgrantee, any contractor or any subcontractor shall, within the time periods requested by the

commonwealth, furnish all necessary employment documents and records and permit access to their books, records and accounts by the granting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provision of this Nondiscrimination/Sexual Harassment Clause. Within 15 days after award of any grant, the Grantee shall be required to complete, sign and submit Form STD-21, the “Initial Contract Compliance Data” form. Grantees who have fewer than five employees or whose employees are all from the same family or who have completed the STD-21 form within the past 12 months may, within the days, request an exemption from the STD-21 form from the granting agency.

- f. The Grantee, any subgrantee, contractor or any subcontractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subgrant agreement, contract or subcontract so that those provisions applicable to subgrantees, contractors or subcontractors will be binding upon each subgrantee, contractor or subcontractor.
- g. The Commonwealth may cancel or terminate the grant agreement and all money due or to become due under the grant agreement may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Grantee, subgrantee, contractor, or subcontractor in the Contractor Responsibility File.

## **L. CONTRACTOR INTEGRITY PROVISIONS**

It is essential that those who seek to grant agreement with the Commonwealth of Pennsylvania (“Commonwealth”) observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process.

In furtherance of this policy, Grantee agrees to the following:

- a. Grantee shall maintain the highest standards of honesty and integrity during the performance of this grant and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Grantee or that govern the grant award with the Commonwealth.
- b. Grantee shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Grantee employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Grantee employees.

- c. Grantee, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Official and Employees Ethics Act, 65 Pa.C.S. §§1101 et seq.*; the *State Adverse Interest Act, 71 P.S. §776.1 et seq.*; and the [\*Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.\*](#), or to breach any other state or federal law or regulation.
- d. Grantee, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.
- e. Grantee, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the [\*Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.\*](#) or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.
- f. Grantee, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.
- g. Grantee, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the grant except as provided in the grant agreement.
- h. Grantee shall not have a financial interest in any other Grantee, subgrantee, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Grantee's financial interest prior to Commonwealth execution of the grant agreement.
- i. Grantee, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Grantee under this grant without the prior written approval of the Commonwealth, except as

required by the *Pennsylvania Right-to-Know Law*, 65 P.S. §§ 67.101-3104, or other applicable law or as otherwise provided in this grant agreement. Any information, documents, reports, data, or records secured by Grantee from the Commonwealth or a third party in connection with the performance of this grant agreement shall be kept confidential unless disclosure of such information is:

1. Approved in writing by the Commonwealth prior to its disclosure; or
  2. Directed by a court or other tribunal of competent jurisdiction unless the grant agreement requires prior Commonwealth approval; or
  3. Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or
  4. Necessary for purposes of Grantee's internal assessment and review; or
  5. Deemed necessary by Grantee in any action to enforce the provisions of this grant agreement or to defend or prosecute claims by or against parties other than the Commonwealth; or
  6. Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain: or
  7. Otherwise required by law.
- j. Grantee certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency grant agreement officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:
1. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
  2. Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Grantee or any

affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:

- (a) obtaining;
- (b) attempting to obtain; or
- (c) performing a public grant agreement or subgrant agreement.

Grantee's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

- 3. Violation of federal or state antitrust statutes.
- 4. Violation of any federal or state law regulating campaign contributions.
- 5. Violation of any federal or state environmental law.
- 6. Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.
- 7. Violation of the *Act of June 2, 1915 (P.L.736, No. 338)*, known as the *Workers' Compensation Act, 77 P.S. 1 et seq.*
- 8. Violation of any federal or state law prohibiting discrimination in employment.
- 9. Debarment by any agency or department of the federal government or by any other state.
- 10. Any other crime involving moral turpitude or business honesty or integrity.

Grantee acknowledges that the Commonwealth may, in its sole discretion, terminate the grant agreement for cause upon such notification or when the Commonwealth otherwise learns that Grantee has been officially notified, charged, or convicted.

- k. If this grant was awarded to Grantee on a non-bid basis, Grantee must, (as required by *Section 1641 of the Pennsylvania Election Code*) file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Grantee by virtue of the

knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

1. Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or
2. Any employee or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

To obtain a copy of the reporting form, Grantee shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, PA 17120.

- l. Grantee shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Grantee employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Grantee employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Grantee's behalf, no matter the procurement stage, are not exempt and must be reported.
- m. When Grantee has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Grantee shall immediately notify the Commonwealth grant awarding officer or Commonwealth Inspector General in writing.
- n. Grantee, by submission of its bid or proposal and/or execution of this grant agreement and by the submission of any bills, invoices or requests for payment pursuant to the grant agreement, certifies and represents that it has not violated any of these Grantee integrity provisions in connection with the submission of the bid or proposal, during any grant agreement negotiations or during the term of the grant agreement.
- o. Grantee shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Grantee non-compliance with these provisions. Grantee agrees to make

identified Grantee employees available for interviews at reasonable times and places. Grantee, upon the inquiry or request of the Office of Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Grantee's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Grantee's business or financial records, documents or files of any type or form that refers to or concern this grant agreement.

- p. For violation of any of these Grantee Integrity Provisions, the Commonwealth may terminate this and any other grant agreement with Grantee, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another Grantee to complete performance under this grant agreement, and debar and suspend Grantee from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.
- q. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph q.
  - 1. "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Grantee from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through an act or omission of Grantee; or e) has not been independently developed by Grantee without the use of confidential information of the Commonwealth.
  - 2. "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or grant agreement terms, the Commonwealth shall be deemed to have consented by virtue of execution of this grant agreement.
  - 3. "Grantee" means the individual or entity that has entered into this grant agreement with the Commonwealth, including those directors, officers,

partners, managers, and owners having more than a five percent interest in Grantee.

4. “Financial interest” means:
  - (a) Ownership of more than a five percent interest in any business; or
  - (b) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
5. “Gratuity” means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or grant agreements of any kind. The exceptions set forth in the [Governor’s Code of Conduct, Executive Order 1980-18](#), the *4 Pa. Code §7.153(b)*, shall apply.
6. “Immediate family” means a spouse and any unemancipated child.
7. “Non-bid basis” means a grant agreement awarded or executed by the Commonwealth with Grantee without seeking bids or proposals from any other potential bidder or offeror.
8. “Political contribution” means any payment, gift, subscription, assessment, grant agreement, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

#### **M. CONTRACTOR RESPONSIBILITY PROVISIONS**

For the purpose of these provisions, the term Contractor/Grantee is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a grant agreement, grant, lease,

purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term Grantee includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

- a. The Grantee certifies, in writing, for itself and its subgrantees required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this Bid/Grant agreement, that neither the Grantee, nor any such subgrantees, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Grantee cannot so certify, then it agrees to submit, along with its Bid/Grant agreement, a written explanation of why such certification cannot be made.
- b. The Grantee also certifies, in writing, that as of the date of its execution of this Bid/Grant agreement it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.
- c. The Grantee's obligations pursuant to these provisions are ongoing from and after the effective date of the Grant agreement through the termination date thereof. Accordingly, the Grantee shall have an obligation to inform the Commonwealth if, at any time during the term of the Grant agreement, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the Grantee, any of its subGrantees are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
- d. The failure of the Grantee to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Grant agreement with the Commonwealth.
- e. The Grantee agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Grantee's compliance with the terms of this or any other agreement between the Grantee and the Commonwealth that results in the suspension or debarment of the Grantee. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Grantee shall not be responsible for investigative costs for investigations that do not result in the Grantee's suspension or debarment.

- f. The Grantee may obtain a current list of suspended and debarred Commonwealth Contractors by either searching the Internet at <http://www.dgs.state.pa.us/> or contacting the:

Department of General Services  
Office of Chief Counsel  
603 North Office Building  
Harrisburg, PA 17125  
Telephone No: (717) 783-6472  
FAX No: (717) 787-9138

#### **N. AMERICANS WITH DISABILITIES ACT**

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 et seq., the Grantee understands and agrees that it shall not cause any individual with a disability to be excluded from participation in the Purchase Order or from activities provided for under the Purchase Order on the basis of the disability. As a condition of accepting this grant agreement, the Grantee agrees to comply with the “General Prohibitions Against Discrimination,” 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through grant agreements with outside Grantees.
- b. The Grantee shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Grantee’s failure to comply with the provisions of subparagraph a above.

#### **O. RIGHT TO KNOW LAW**

- a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, (“RTKL”) applies to this Grant agreement. For the purpose of these provisions, the term “the Commonwealth” shall refer to the grant awarding Commonwealth agency.
- b. If the Commonwealth needs the Grantee’s assistance in any matter arising out of the RTKL related to this Grant agreement, it shall notify the Grantee using the legal contact information provided in this Grant agreement. The Grantee, at any time,

may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.

- c. Upon written notification from the Commonwealth that it requires the Grantee's assistance in responding to a request under the RTKL for information related to this Grant agreement that may be in the Grantee's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Grantee shall:
  1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Grantee's possession arising out of this Grant agreement that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and
  2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Grant agreement.
- d. If the Grantee considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Grantee considers exempt from production under the RTKL, the Grantee must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Grantee explaining why the requested material is exempt from public disclosure under the RTKL.
- e. The Commonwealth will rely upon the written statement from the Grantee in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Grantee shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.
- f. If the Grantee fails to provide the Requested Information within the time period required by these provisions, the Grantee shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Grantee's failure, including any statutory damages assessed against the Commonwealth.

- g. The Commonwealth will reimburse the Grantee for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.
- h. The Grantee may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Grantee shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Grantee's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Grantee agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.
- i. The Grantee's duties relating to the RTKL are continuing duties that survive the expiration of this Grant agreement and shall continue as long as the Grantee has Requested Information in its possession.

**P. AUDIT CLAUSE TO BE USED IN AGREEMENTS WITH SUBRECIPIENTS RECEIVING FEDERAL AWARDS FROM THE COMMONWEALTH**

**SINGLE AUDIT REPORT REQUIREMENTS.**

The [NAME OF SUBRECIPIENT] must comply with all federal and state audit requirements including: *The Single Audit Act Amendments of 1996; Office of Management and Budget, Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, (OMB Circular A-133) as amended;* and any other applicable law or regulation, and any amendment to such other applicable law or regulation which may be enacted or promulgated by the federal government.

If the [NAME OF SUBRECIPIENT] is a local government or non-profit organization and expends total federal awards of \$500,000 or more during its fiscal year, received either directly from the federal government or indirectly from a recipient of federal funds, the [NAME OF SUBRECIPIENT] is required to have an audit made in accordance with the provisions of *OMB Circular A-133*.

If the [NAME OF SUBRECIPIENT] is a local government or non-profit organization and expends total federal awards of \$500,000 or more during its fiscal year **under one federal program**, received either directly from the

federal government or indirectly from a recipient of federal funds, the [NAME OF SUBRECIPIENT] can submit a program-specific audit in lieu of a single audit in accordance with the provisions of *OMB Circular A-133*.

If the [NAME OF SUBRECIPIENT] expends total federal awards of less than \$500,000 during its fiscal year, it is exempt from these audit requirements, but is required to maintain auditable records of federal awards and any state funds which supplement such awards, and to provide access to such records by federal and state agencies or their designees.

If the [NAME OF SUBRECIPIENT] is a for-profit entity, it is not subject to the auditing and reporting requirements of *OMB Circular A-133*. However, the pass-through commonwealth agency is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The contract with the for-profit subrecipient should describe applicable compliance requirements and the for-profit subrecipient's compliance responsibility. Methods to ensure compliance for federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the contract and post-award audits. The post-award audits may be in the form of a financial audit in accordance with *Government Auditing Standards*, a single audit report or program-specific audit report in accordance with *OMB Circular A-133*. However, these post-award audits must be submitted directly to the affected commonwealth agency that provided the funding. Only single audit reports for local governmental and non-profit subrecipients are electronically submitted to the Office of the Budget, Office of Comptroller Operations, Bureau of Audits.

#### **COMPONENTS OF THE SINGLE AUDIT REPORTING PACKAGE.**

The [NAME OF SUBRECIPIENT] must submit an electronic copy of the audit report package to the commonwealth, which shall include:

##### **1. Auditor's reports**

- a.** Independent auditor's report on the financial statements, which expresses an opinion on whether the financial statements are presented fairly in all material respects in conformity with the stated accounting principles.
- b.** Independent auditor's report on the supplementary Schedule of Expenditures of Federal Awards (SEFA), which expresses an opinion on whether the SEFA is presented fairly in all material respects in relation to the financial statements taken as a whole. This report can be issued separately or combined with the independent auditor's report on the financial statements.
- c.** Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.

**d.** Report on compliance for each major program and report on internal control over compliance.

**e.** Schedule of findings and questioned costs.

**2.** Financial statements and notes to the financial statements

**3.** SEFA and notes to the SEFA

**a.** All single audit reporting packages must contain a SEFA prepared by the subrecipient, not the subrecipient's auditor. In accordance with §\_\_\_\_.310 (b) of *OMB Circular A-133*, all SEFAs, at a minimum, shall:

**(1)** List individual federal programs by federal agency. For federal programs included in a cluster of programs, list individual programs within a cluster of programs. For research and development (R&D), the total federal awards expended shall be shown either by individual award or by federal agency and major subdivision within the federal agency;

**(2)** For federal awards received as a subrecipient, include the name of the pass-through entity and the identifying number assigned by the pass-through entity;

**(3)** Provide the total federal awards expended for each individual federal program and the CFDA number or other identifying number when the CFDA information is not available;

**(4)** Include notes that describe the significant accounting policies used in preparing the SEFA;

**(5)** For federal awards received as a pass-through entity, identify, to the extent practical, the total amount provided to subrecipients from each federal program;

**(6)** Include, in either the SEFA or a note to the SEFA, the value of federal awards expended in the form of noncash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end.

**b.** In addition to the requirements of *OMB Circular A-133*, single audit reporting packages containing federal funding passed through a commonwealth agency must include the following components in the SEFA as required by the pass through agency:

**(1)** A breakdown of federal funds passed through the commonwealth, by federal grantor, CFDA number, CFDA name and state program name (if different from CFDA name), state program year, and state contract number (if applicable);

- (2) Contract period beginning and ending dates for federal funds passed through each commonwealth agency, by contract;
- (3) Program or award amount for each commonwealth agency, by contract;
- (4) Total received during the year for each commonwealth agency, by contract;
- (5) Accrued or deferred revenue at the beginning of the year for each commonwealth agency, by contract;
- (6) Revenue recognized during the year for each commonwealth agency, by contract;
- (7) Accrued or deferred revenue at the end of the year for each commonwealth agency, by contract.

**4. Schedule of Findings and Questioned Costs**

**5. Summary schedule of prior audit findings**

**6. Corrective action plan (if applicable)**

**7. Data collection form**

**8. Management letter (if applicable)**

In instances where a federal program-specific audit guide is available, the audit report package for a program-specific audit may be different and should be prepared in accordance with the appropriate audit guide, *Government Auditing Standards*, and *OMB Circular A-133*.

**SUBMISSION OF THE AUDIT REPORT**

The Office of the Budget, Office of Comptroller Operations, Bureau of Audits accepts **only** electronic submissions of single audit/program-specific audit reporting packages. Instructions and information regarding submission of the single audit/program-specific audit reporting package are available to the public on Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>).

**AUDIT OVERSIGHT PROVISIONS.**

The [NAME OF SUBRECIPIENT] is responsible for obtaining the necessary audit and securing the services of a certified public accountant or independent governmental auditor.

The commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary by commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the [NAME OF SUBRECIPIENT]'s auditor and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional expense to the [NAME OF SUBRECIPIENT].

Audit documentation and audit reports must be retained by the [NAME OF SUBRECIPIENT]'s auditor for a minimum of five years from the date of issuance of the audit report, unless the [NAME OF SUBRECIPIENT]'s auditor is notified in writing by the commonwealth, the cognizant federal agency for audit, or the oversight federal agency for audit to extend the retention period. Audit documentation will be made available upon request to authorized representatives of the commonwealth, the cognizant federal agency for audit, the oversight federal agency for audit, the federal funding agency, or the Government Accountability Office.