Contract #: _____

Grant Agreement Between

Michigan Department of Community Health

hereinafter referred to as the "Department"

and

_____

_____

_____,_____

Federal I.D.#: _____, DUNS# _____

hereinafter referred to as the "Grantee"

for

_____

Part I

1. **Period of Agreement:** This agreement shall commence on _____ and continue through _____. This agreement is in full force and effect for the period specified.

2. **Program Budget and Agreement Amount**

   A. **Agreement Amount**

   The total amount of this agreement is $ _____. The Department under the terms of this agreement will provide funding not to exceed $ _____. The federal funding provided by the Department: is $ _____ **or** approximately _____%; the Catalog of Federal Domestic Assistance (CFDA) number is _____ and the CFDA Title is _____; the federal agency name is _____; the federal grant award number is _____, the award phase is _____, the federal award date is _____, and the Federal Award Identification Number (FAIN) is _____. The federal program title is _____. The grant agreement is designated as a:

   ☐ Subrecipient relationship; or

   ☐ Vendor relationship.

   The grant agreement is designated as:

   ☐ Research and development project; or

   ☐ Not a research and development project.

   B. **Equipment Purchases and Title**

   Any Grantee equipment purchases supported in whole or in part through this agreement must be listed in the supporting Equipment Inventory Schedule. Equipment means tangible, non-expendable, personal property having useful life of more than one (1) year and an acquisition cost of $5,000 or more per unit. Title to items having a unit acquisition

cost of less than $5,000 shall vest with the Grantee upon acquisition. The Department reserves the right to retain or transfer the title to all items of equipment having a unit acquisition cost of $5,000 or more, to the extent that the Department's proportionate interest in such equipment supports such retention or transfer of title.

C. Deviation Allowance

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

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

4. Statement of Work: The Grantee agrees to undertake, perform and complete the services described in Attachment A, which is part of this agreement through reference.

5. Financial Requirements: The financial requirements shall be followed as described in Part II of this agreement and Attachments B and D which are part of this agreement through reference.

6. Performance/Progress Report Requirements: The progress reporting methods, as applicable, shall be followed as described in Attachment C, which is part of this agreement through reference.

7. General Provisions: The Grantee agrees to comply with the General Provisions outlined in Part II, which is part of this agreement through reference.

8. Administration of the Agreement:

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

_____

Name, Location/Building Title Telephone No. Email Address

9. Grantee's Financial Contact for the Agreement:

The person acting for the Grantee on the financial reporting for this agreement is:

_____

Name Title

_____

E-Mail Address Telephone No.

10. Special Conditions:

A. This agreement is valid upon approval by the State Administrative Board as appropriate and approval and execution by the Department.

B. This agreement is conditionally approved subject to and contingent upon the availability of funds.

C. The Department will not assume any responsibility or liability for costs incurred by the Grantee prior to the signing of this agreement.

D. The Grantee is required by PA 533 of 2004 to receive payments by electronic funds transfer.

11. Special Certification:

The individual or officer signing this agreement certifies by his or her signature that he or she is authorized to sign this agreement on behalf of the responsible governing board, official or Grantee.

12. Signature Section:

For the GRANTEE

Name *(Please print)* Title

Signature Date

For the MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

Kim Stephen, Director, Bureau of Budget and Purchasing Date

Part II

General Provisions

I. Responsibilities - Grantee

The Grantee in accordance with the general purposes and objectives of this agreement will:

A. Publication Rights

1. Where the Grantee exclusively develops books, films, or other such copyrightable materials through activities supported by this agreement, the Grantee may copyright those materials. The materials that the Grantee copyrights cannot include service recipient information or personal identification data. Grantee grants the Department a royalty-free, non-exclusive and irrevocable license to reproduce, publish and use such materials and authorizes others to reproduce and use such materials.

2. Any materials copyrighted by the Grantee or modifications bearing acknowledgment of the Department's name must be approved by the Department before reproduction and use of such materials. The State of Michigan may modify the material copyrighted by the Grantee and may combine it with other copyrightable intellectual property to form a derivative work. The State of Michigan will own and hold all copyright and other intellectual property rights in any such derivative work, excluding any rights or interest granted in this agreement to the Grantee. If the Grantee ceases to conduct business for any reason, or ceases to support the copyrightable materials developed under this agreement, the State of Michigan has the right to convert its licenses into transferable licenses to the extent consistent with any applicable obligations the Grantee has to the federal government.

3. The Grantee shall give recognition to the Department in any and all publications papers and presentations arising from the program and service contract herein; the Department will do likewise.

4. The Grantee must notify the Department's Grants and Purchasing Division 30 days before applying to register a copyright with the U.S. Copyright Office. The Grantee must submit an annual report for all copyrighted materials developed by the Grantee through activities supported by this agreement and must submit a final invention statement and certification within 90 days of the end of the agreement period.

B. Fees

Make reasonable efforts to collect 1st and 3rd party fees, where applicable, and report these as outlined by the Department's Financial Status Report Instructions. Any underrecoveries of otherwise available fees resulting from failure to bill for eligible services will be excluded from reimbursable expenditures.

C. Program Operation

Provide the necessary administrative, professional, and technical staff for operation of the program.

D. Reporting

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

E. Record Maintenance/Retention

Maintain adequate program and fiscal records and files, including source documentation to support program activities and all expenditures made under the terms of this agreement, as required. Assure that all terms of the agreement will be appropriately adhered to and that records and detailed documentation for the project or program identified in this agreement will be maintained for a period of not less than three (3) years from the date of termination, the date of submission of the final expenditure report or until litigation and audit findings have been resolved.

F. Authorized Access

Permit upon reasonable notification and at reasonable times, access by authorized representatives of the Department, Federal Grantor Agency, Comptroller General of the United States and State Auditor General, or any of their duly authorized representatives, to records, files and documentation related to this agreement, to the extent authorized by applicable state or federal law, rule or regulation.

G. Audits

This section only applies to Grantees designated as subrecipients. Grantees designated as vendors are exempt from the provisions of this section.

1. Required Audit or Notification Letter

Grantees must submit to the Department either a Single Audit, Financial Related Audit, Financial Statement Audit, or Audit Status Notification Letter as described below. Financial Related Audit is applicable to for-profit Grantees that are designated as subrecipients. If submitting a Single Audit or Financial Statement Audit or a Financial Related Audit or a Financial Statement Audit, Grantees must also submit a Corrective Action Plan for any audit findings that impact MDCH-funded programs, and management letter (if issued) with a response.

a. Single Audit

Grantees that are a state, local government, or non-profit organization with fiscal years that ends prior to December 26, 2014 and that expend $500,000 or more in federal awards during the Grantee's fiscal year, must submit a Single Audit to the Department, regardless of the amount of funding received from the Department. The Single Audit must comply with the requirements of the Single Audit Act Amendments of 1996, and Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," as revised.

Grantees that are a state, local government, or non-profit organization with fiscal years beginning on or after December 26, 2014 and that expend $750,000 or more in federal awards during the Grantee's fiscal year, must submit a Single Audit to the Department, regardless of the amount of funding received from the Department. The Single Audit must comply with the requirements of Title 2 Code of Federal Regulations, Subpart F.

b. Financial Related Audit

Grantees that are for-profit organizations with fiscal years that ends prior to December 26, 2014 and that expend $500,000 or more in federal awards during the Grantee's fiscal year must submit either a financial related audit prepared in accordance with Government Auditing Standards relating to all Federal awards; or an audit that meets the requirements contained in OMB Circular A-133, if required by the Federal awarding agency.

Grantees that are for-profit organizations with fiscal years beginning on or after December 26, 2014 and that expend $750,000 or more in federal awards during the Grantee's fiscal year must submit either a financial related audit prepared in accordance with Government Auditing Standards relating to all Federal awards; or an audit that meets the requirements contained in Title 2 Code of Federal Regulations, Subpart F, if required by the Federal awarding agency.

c. Financial Statement Audit

Grantees exempt from the Single Audit and Financial Related Audit requirements organization with fiscal years that ends prior to December 26, 2014 that receive $500,000 or more in **total funding** from the Department in State and Federal grant funding must submit to the Department a Financial Statement Audit prepared in accordance with generally accepted auditing standards (GAAS). Grantees exempt from the Single Audit and Financial Related Audit requirements that receive less than $500,000 of total Department grant funding must submit to the Department a Financial Statement Audit prepared in accordance with GAAS if the audit includes disclosures that may negatively impact MDCH-funded programs including, but not limited to fraud, going concern uncertainties, financial statement misstatements, and violations of contract and grant provisions.

Grantees exempt from the Single Audit and Financial Related Audit requirements organization with fiscal years beginning on or after December 26, 2014 that receive $750,000 or more in **total funding** from the Department in State and Federal grant funding must submit to the Department a Financial Statement Audit prepared in accordance with generally accepted auditing standards (GAAS). Grantees exempt from the Single Audit and Financial Related Audit requirements that receive less than $750,000 of total Department grant funding must submit to the Department a Financial Statement Audit prepared in accordance with GAAS if the audit includes disclosures that may negatively impact MDCH-funded programs including, but not limited to fraud, going concern uncertainties, financial statement misstatements, and violations of contract and grant provisions.

d. Audit Status Notification Letter

Grantees exempt from the Single Audit, Financial Related Audit and Financial Statement Audit requirements (a., b., and c. above) must submit an Audit Status Notification Letter that certifies these exemptions. The template Audit Status Notification Letter and further instructions are available at http://www.michigan.gov/mdch by selecting Inside Community Health – MDCH Audit.

2. Due Date and Where to Send

The required audit and any other required submissions (i.e. Corrective Action Plan and management letter with a response), or Audit Status Notification Letter must be submitted to the Department within nine months after the end of the Grantee's fiscal year by e-mail to the Department at MDCH-AuditReports@michigan.gov. The required materials must be assembled in a PDF file compatible with Adobe Acrobat (read only). The subject line must state the agency name and fiscal year end. The Department reserves the right to request a hard copy of the audit materials if for any

reason the electronic submission process is not successful.

3. Penalty

a. Delinquent Single Audit, Financial Related or Financial Statement Audit

If the Grantee does not submit the required Single Audit Financial Related Audit, or Financial Statement Audit, including any management letter with a response and applicable Corrective Action Plan within nine months after the end of the Grantee's fiscal year and an extension has not been approved by the cognizant or oversight agency for audit, the Department may withhold from the current funding an amount equal to five percent of the audit year's grant funding (not to exceed $200,000) until the required filing is received by the Department. The Department may retain the amount withheld if the Grantee is more than 120 days delinquent in meeting the filing requirements and an extension has not been approved by the cognizant or oversight agency for audit. The Department may terminate the current grant if the Grantee is more than 180 days delinquent in meeting the filing requirements and an extension has not been approved by the cognizant or oversight agency for audit.

b. Delinquent Audit Status Notification Letter

Failure to submit the Audit Status Notification Letter, when required, may result in withholding from the current funding an amount equal to one percent of the audit year's grant funding until the Audit Status Notification Letter is received.

4. Other Audits

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

H. Subrecipient/Vendor Monitoring

The Grantee must ensure that each of its **subrecipients** comply with the Single Audit Act requirements. The Grantee must issue management decisions on audit findings of their subrecipients as required by OMB Circular A-133 and Title 2 CFR, Section 200.501(h), as applicable.

The Grantee must also develop a subrecipient monitoring plan that addresses "during the award monitoring" of **subrecipients** to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts, and that performance goals are achieved. The subrecipient monitoring plan should include a risk-based assessment to determine the level of oversight, and monitoring activities such as reviewing financial and performance reports, performing site visits, and maintaining regular contact with subrecipients.

The Grantee must establish requirements to ensure compliance for **for–profit subrecipients** as required by OMB Circular A-133, Section .210(e) and Title 2 CFR, Section 200.501(h), as applicable.

The Grantee must ensure that transactions with vendors comply with laws, regulations, and provisions of contracts or grant agreements in compliance with OMB Circular A-133, Section .210(f) and Title 2 CFR, Section 200.501(h), as applicable.

I. Notification of Modifications

Provide timely notification to the Department, in writing, of any action by its governing

board or any other funding source that would require or result in significant modification in the provision of services, funding or compliance with operational procedures.

J. Software Compliance

The Grantee must ensure software compliance and compatibility with the Department's data systems for services provided under this agreement including, but not limited to: stored data, databases, and interfaces for the production of work products and reports. All required data under this agreement shall be provided in an accurate and timely manner without interruption, failure or errors due to the inaccuracy of the Grantee's business operations for processing date/time data.

K. Human Subjects

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

II. Responsibilities - Department

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

A. Reimbursement

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

B. Report Forms

Provide any report forms and reporting formats required by the Department at the effective date of this agreement, and provide to the Grantee any new report forms and reporting formats proposed for issuance thereafter at least ninety (90) days prior to their required usage in order to afford the Grantee an opportunity to review and offer comment.

III. Assurances

The following assurances are hereby given to the Department:

A. Compliance with Applicable Laws

The Grantee will comply with applicable federal and state laws, guidelines, rules and regulations in carrying out the terms of this agreement. The Grantee will also comply with all applicable general administrative requirements such as OMB Circulars covering cost principles, grant/agreement principles, and audits in carrying out the terms of this agreement.

B. Anti-Lobbying Act

The Grantee will comply with the Anti-Lobbying Act, 31 USC 1352 as revised by the Lobbying Disclosure Act of 1995, 2 USC 1601 et seq, and Section 503 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies section of the FY 1997 Omnibus Consolidated Appropriations Act (Public Law 104-209). Further, the Grantee shall require that the language of this assurance be included in the award

documents of all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

C. <u>Non-Discrimination</u>

1. In the performance of any contract or purchase order resulting herefrom, the Grantee agrees not to discriminate against any employee or applicant for employment or service delivery and access, with respect to their hire, tenure, terms, conditions or privileges of employment, programs and services provided or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position or to receive services. The Grantee further agrees that every subcontract entered into for the performance of any contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, service delivery and access, as herein specified binding upon each subcontractor. This covenant is required pursuant to the Elliot-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2201 et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq., and any breach thereof may be regarded as a material breach of the contract or purchase order.

2. The Grantee will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to:

   a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin;

   b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex;

   c. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of disabilities;

   d. the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age;

   e. the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;

   f. the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;

   g. §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records

   h. any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and,

   i. the requirements of any other nondiscrimination statute(s) which may apply to the application.

3. Additionally, assurance is given to the Department that proactive efforts will be made to identify and encourage the participation of minority owned and women owned businesses, and businesses owned by persons with disabilities in contract

solicitations. The Grantee shall incorporate language in all contracts awarded: (1) prohibiting discrimination against minority owned and women owned businesses and businesses owned by persons with disabilities in subcontracting; and (2) making discrimination a material breach of contract.

D. Debarment and Suspension

Assurance is hereby given to the Department that the Grantee will comply with Federal Regulation, 2 CFR part 180 and certifies to the best of its knowledge and belief that it, its employees and its subcontractors:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or contractor;
2. Have not within a three-year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 2, and;
4. Have not within a three-year period preceding this agreement had one or more public transactions (federal, state or local) terminated for cause or default.

E. Federal Requirement: Pro-Children Act

1. Assurance is hereby given to the Department that the Grantee will comply with Public Law 103-227, also known as the Pro-Children Act of 1994, 20 USC 6091 et seq, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The Grantee also assures that this language will be included in any subawards which contain provisions for children's services.
2. The Grantee also assures, in addition to compliance with Public Law 103-227, any service or activity funded in whole or in part through this agreement will be delivered in a smoke-free facility or environment. Smoking shall not be permitted anywhere in the facility, or those parts of the facility under the control of the Grantee. If activities or services are delivered in facilities or areas that are not under the control of the Grantee (e.g., a mall, restaurant or private work site), the activities or services shall

be smoke-free.

F. Hatch Political Activity Act and Intergovernmental Personnel Act

The Grantee will comply with the Hatch Political Activity Act, 5 USC 1501-1509 and 7324-7328, and the Intergovernmental Personnel Act of 1970, as amended by Title VI of the Civil Service Reform Act, Public Law 95-454, 42 USC 4728 - 4763. Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally-assisted programs.

G. National Defense Authorization Act Employee Whistleblower Protections

The Grantee will comply with the National Defense Authorization Act "Pilot Program for Enhancement of Grantee Employee Whistleblower Protections".

a) This agreement and employees working on this agreement will be subject to the whistleblower rights and remedies in the pilot program on Grantee employee whistleblower protections established at 41 U.S.C.4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2012 and FAR 3.908.

b) The Grantee shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

c) The Grantee shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

H. Subcontracts

Assure for any subcontracted service, activity or product:

1. That a written subcontract is executed by all affected parties prior to the initiation of any new subcontract activity. Exceptions to this policy may be granted by the Department upon written request within 30 days of execution of the agreement.

2. That any executed subcontract to this agreement shall require the subcontractor to comply with all applicable terms and conditions of this agreement. In the event of a conflict between this agreement and the provisions of the subcontract, the provisions of this agreement shall prevail.

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

   a. Contains additional non-conflicting provisions not set forth in this agreement;

   b. Restates provisions of this agreement to afford the Grantee the same or substantially the same rights and privileges as the Department; or

   c. Requires the subcontractor to perform duties and/or services in less time than that afforded the Grantee in this agreement.

3. That the subcontract does not affect the Grantee's accountability to the Department for the subcontracted activity.

4. That any billing or request for reimbursement for subcontract costs is supported by a valid subcontract and adequate source documentation on costs and services.

5. That the Grantee will submit a copy of the executed subcontract if requested by the Department.

I. Procurement

Assure that all purchase transactions, whether negotiated or advertised, shall be conducted openly and competitively in accordance with the principles and requirements of OMB Circular A-102 as revised, implemented through applicable portions of the associated "Common Rule" as promulgated by responsible federal contracts(s), Or 2 CFR, Part 215 (OMB Circular A-110) as amended, as applicable and that records sufficient to document the significant history of all purchases are maintained for a minimum of three years after the end of the agreement period.

J. Health Insurance Portability and Accountability Act

To the extent that this act is pertinent to the services that the Grantee provides to the Department under this agreement, the Grantee assures that it is in compliance with the Health Insurance Portability and Accountability Act (HIPAA) requirements including the following:

1. The Grantee must not share any protected health data and information provided by the Department that falls within HIPAA requirements except as permitted or required by applicable law; or to a subcontractor as appropriate under this agreement.
2. The Grantee will ensure that any subcontractor will have the same obligations as the Grantee not to share any protected health data and information from the Department that falls under HIPAA requirements in the terms and conditions of the subcontract.
3. The Grantee must only use the protected health data and information for the purposes of this agreement.
4. The Grantee must have written policies and procedures addressing the use of protected health data and information that falls under the HIPAA requirements. The policies and procedures must meet all applicable federal and state requirements including the HIPAA regulations. These policies and procedures must include restricting access to the protected health data and information by the Grantee's employees.
5. The Grantee must have a policy and procedure to immediately report to the Department any suspected or confirmed unauthorized use or disclosure of protected health data and information that falls under the HIPAA requirements of which the Grantee becomes aware. The Grantee will work with the Department to mitigate the breach, and will provide assurances to the Department of corrective actions to prevent further unauthorized uses or disclosures.
6. Failure to comply with any of these contractual requirements may result in the termination of this agreement in accordance with Part II, Section V. Agreement Termination.
7. In accordance with HIPAA requirements, the Grantee is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data and information by the Grantee received from the Department or any other source.
8. The Grantee will enter into a business associate agreement should the Department determine such an agreement is required under HIPAA.

IV. Financial Requirements

A. Operating Advance

An operating advance may be requested by the Grantee to assist with program operations.

The request should be addressed to the Contract Manager identified in Part I, Item 8. The operating advance will be administered as follows:

1. The advance amount requested must be reasonable in relationship to the program's requirements, billing cycle, etc.; and in no case may the advance exceed the amount required for 60 days operating expense. Operating advances will be monitored and adjusted by the Department according to total Department agreement amount.

2. The advance must be recorded as an account payable to the Department in the Grantee's financial records. The operating advance payable must remain in the Grantee's financial records until fully recovered by the Department.

3. The monthly Financial Status Report (FSR) reimbursement for actual expenditures by the Department should be used by the Grantee to replenish the operating advance used for program operations.

4. The advance must be returned to the Department within 30 days of the end date of this agreement unless the Grantee has a recurring agreement with the Department, and may not be held pending agreement audit. Subsequent Department agreements may be withheld pending recovery of the outstanding advance from a prior agreement. If the Grantee has a recurring agreement with the Department, the Department requires an annual confirmation of the outstanding operating advance.

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

   a. Department offer of a hearing to dispute the debt, identifying the time, place and date of such hearing.

   b. A hearing by an impartial official.

   c. An opportunity for the Grantee to examine department's associated records.

   d. An opportunity for the Grantee to present evidence in person or in writing.

   e. A hearing official with full authority to correct errors and make a decision not to forward debt to Treasury.

   f. Grantee representation by an attorney and presentation of witnesses if necessary.

5. At the end of either the agreement period or Department's fiscal year, whichever is first, the Grantee must respond to the Department's request for confirmation of the operating advance. Failure to respond to the confirmation request may result in the Department recovering all or part of an outstanding operating advance.

B. <u>Reimbursement Method</u>

The Grantee will be reimbursed in accordance with the staffing grant reimbursement method as follows:

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

C. Financial Status Report Submission

Financial Status Reports (FSRs) shall be prepared and submitted to:

Michigan Department of Community Health
Accounting Division
Expenditure Operations Section
P.O. Box 30720, Lansing, Michigan 48909

FSRs must be submitted on a monthly basis, no later than thirty (30) days after the close of each calendar month. The monthly FSRs must reflect total actual program expenditures, regardless of the source of funds. Attachment D contains the FSR form. The FSR form and instructions for completing the FSR form are available through your Contract Manager or the Department's web site:

- http://www.michigan.gov/documents/DCH-0384-Financial_Status_Report_8214_7.pdf and
- http://www.michigan.gov/documents/DCH-0384-Financial_Status_Report_Instructions_8216_7.pdf

Failure to meet financial reporting responsibilities as identified in this agreement may result in withholding future payments.

D. Reimbursement Mechanism

All Grantees must sign up through the on-line vendor registration process to receive all State of Michigan payments as Electronic Funds Transfers (EFT)/Direct Deposits, as mandated by PA 533 of 2004. Vendor registration information is available through the Department of Management and Budget's web site:

- http://michigan.gov/cpexpress

E. Final Obligations and Financial Status Report Requirements

1. Obligation Report

   The Obligation Report, based on annual guidelines, must be submitted by the due date using the format provided by the Department's Accounting Division. The Grantee must provide an estimate of total expenditures for the entire agreement period. The information on the report will be used to record the Department's year-end accounts payables and receivables for this agreement.

2. Department-wide Payment Suspension

   A temporary payment suspension is in effect on agreements during the department's year-end closing period beginning September 13th until mid-November. FSRs through the August period should be submitted by September 6th to ensure payment prior to the payment suspension period.

3. Final FSRs

   Final FSRs are due sixty (60) days following the end of the fiscal year or agreement period. The final FSR must be clearly marked "Final". Final FSRs not received by the due date may result in the loss of funding requested on the Obligation Report and may result in the potential reduction in the subsequent year's agreement amount.

F. Unobligated Funds

Any unobligated balance of funds held by the Grantee at the end of the agreement period will be returned to the Department or treated in accordance with instructions provided by the Department.

V. Agreement Termination

The Department may cancel this agreement without further liability or penalty to the Department for any of the following reasons:

A. This agreement may be terminated by either party by giving thirty (30) days written notice to the other party stating the reasons for termination and the effective date.

B. This agreement may be terminated on thirty (30) days prior written notice upon the failure of either party to carry out the terms and conditions of this agreement, provided the alleged defaulting party is given notice of the alleged breach and fails to cure the default within the thirty (30) day period.

C. This agreement may be terminated immediately if the Grantee or an official of the Grantee or an owner is convicted of any activity referenced in Section III.D. of this agreement during the term of this agreement or any extension thereof.

VI. Final Reporting Upon Termination

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

VII. Severability

If any provision of this agreement or any provision of any document attached to or incorporated by reference is waived or held to be invalid, such waiver or invalidity shall not affect other provisions of this agreement.

VIII. Amendments

Any changes to this agreement will be valid only if made in writing and accepted by all parties to this agreement. Any change proposed by the Grantee which would affect the Department funding of any project, in whole or in part in Part I, Section 2.C. of the agreement, must be submitted in writing to the Department for approval immediately upon determining the need for such change.

IX. Liability

A. All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, such as direct service delivery, to be carried out by the Grantee in the performance of this agreement shall be the responsibility of the Grantee, and not the responsibility of the Department, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the Grantee, any subcontractor, anyone directly or indirectly employed by the Grantee, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the Grantee or its employees by statute or court decisions.

B. All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, such as the provision of policy and procedural direction,

to be carried out by the Department in the performance of this agreement shall be the responsibility of the Department, and not the responsibility of the Grantee, if the liability, loss, or damage is caused by, or arises out of, the action or failure to act on the part of any Department employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity by the State, its agencies (the Department) or employees as provided by statute or court decisions.

C. In the event that liability to third parties, loss, or damage arises as a result of activities conducted jointly by the Grantee and the Department in fulfillment of their responsibilities under this agreement, such liability, loss, or damage shall be borne by the Grantee and the Department in relation to each party's responsibilities under these joint activities, provided that nothing herein shall be
construed as a waiver of any governmental immunity by the Grantee, the State, its agencies (the Department) or their employees, respectively, as provided by statute or court decisions.

X. Conflict of Interest

The Grantee and the Department are subject to the provisions of 1968 PA 317, as amended, MCL 15.321 et seq, and 1973 PA 196, as amended, MCL 15.341 et seq.

XI. State of Michigan Agreement

This is a State of Michigan Agreement and is governed by the laws of Michigan. Any dispute arising as a result of this agreement shall be resolved in the State of Michigan.

XII. Confidentiality

Both the Department and the Grantee shall assure that medical services to and information contained in medical records of persons served under this agreement, or other such recorded information required to be held confidential by federal or state law, rule or regulation, in connection with the provision of services or other activity under this agreement shall be privileged communication, shall be held confidential, and shall not be divulged without the written consent of either the patient or a person responsible for the patient, except as may be otherwise permitted or required by applicable state or federal law or regulation. Such information may be disclosed in summary, statistical, or other form, which does not directly or indirectly identify particular individuals.

☐ Subrecipient
☐ Contractor
☐ Research and development project
☐ Not a research and development project

STATEMENT OF WORK

Goal:

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

Activity(ies)	Responsible Individual(s)	Timeline	Deliverable(s)
Objective			
Objective			
Objective			
Objective			
Objective			

PROGRAM BUDGET SUMMARY

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

View at 100% or Larger
Use WHOLE DOLLARS Only

PROGRAM			DATE PREPARED	Page	Of
GRANTEE NAME			BUDGET PERIOD From: To:		
MAILING ADDRESS (Number and Street)			BUDGET AGREEMENT ☐ ORIGINAL ☐ AMENDMENT ▶	AMENDMENT #	
CITY	STATE	ZIP CODE	FEDERAL ID NUMBER		

EXPENDITURE CATEGORY				TOTAL BUDGET (Use Whole Dollars)
1. SALARIES & WAGES				
2. FRINGE BENEFITS				
3. TRAVEL				
4. SUPPLIES & MATERIALS				
5. CONTRACTUAL (Subcontracts/Subrecipients)				
6. EQUIPMENT				
7. OTHER EXPENSES				
8. **TOTAL DIRECT EXPENDITURES** (Sum of Lines 1-7)	$0	$0	$0	$0
9. INDIRECT COSTS: Rate #1 %				
INDIRECT COSTS: Rate #2 %				
10. TOTAL EXPENDITURES	**$0**	**$0**	**$0**	**$0**

SOURCE OF FUNDS

11. FEES & COLLECTIONS				
12. STATE AGREEMENT				
13. LOCAL				
14. FEDERAL				
15. OTHER(S)				
16. TOTAL FUNDING	**$0**	**$0**	**$0**	**$0**

AUTHORITY: P.A. 368 of 1978
COMPLETION: Is Voluntary, but is required as a condition of funding

The Department of Community Health is an equal opportunity employer, services and programs provider.

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PROGRAM BUDGET – COST DETAIL SCHEDULE

View at 100% or Larger
Use WHOLE DOLLARS Only

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

Page Of

PROGRAM	BUDGET PERIOD From:	BUDGET PERIOD To:	DATE PREPARED
GRANTEE NAME	BUDGET AGREEMENT ☐ORIGINAL	☐AMENDMENT	AMENDMENT #

1. SALARY & WAGES POSITION DESCRIPTION	COMMENTS	POSITIONS REQUIRED	TOTAL SALARY
			$0
			$0
			$0
			$0
			$0
			$0
			$0
	1. TOTAL SALARIES & WAGES:	0	$ 0

2. FRINGE BENEFITS (Specify)

☐ FICA ☐LIFE INS. ☐DENTAL INS. COMPOSITE RATE
☐UNEMPLOY INS. ☐VISION INS. ☐WORK COMP. AMOUNT 0.00%
☐RETIREMENT ☐HEARING INS.
☐HOSPITAL INS. ☐OTHER (specify) _____

2. TOTAL FRINGE BENEFITS $0

3. TRAVEL (Specify if category exceeds 10% of Total Expenditures)

3 TOTAL TRAVEL $0

4. SUPPLIES & MATERIALS (Specify if category exceeds 10% of Total Expenditures)

4. TOTAL SUPPLIES & MATERIALS $0

5. CONTRACTUAL (Specify Subcontracts/Subrecipients)

Name Address Amount

5. TOTAL CONTRACTUAL $0

6. EQUIPMENT (Specify items)

6. TOTAL EQUIPMENT $0

7. OTHER EXPENSES (Specify if category exceeds 10% of Total Expenditures)

7. TOTAL OTHER $0

8. TOTAL DIRECT EXPENDITURES (Sum of Totals 1-7) **8. TOTAL DIRECT EXPENDITURE** $ 0

9. INDIRECT COST CALCULATIONS

Rate #1: Base $0 X Rate 0.0000 % Total $ 0
Rate #2: Base $0 X Rate 0.0000 % Total $ 0

9. TOTAL INDIRECT EXPENDITURES: $ 0

10. TOTAL EXPENDITURES (Sum of lines 8-9) $ 0

AUTHORITY: P.A. 368 of 1978
COMPLETION: Is Voluntary, but is required as a condition of funding

The Department of Community Health is an equal opportunity employer, services and programs provider.

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MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
GRANTS AND PURCHASING DIVISION

EQUIPMENT INVENTORY SCHEDULE

Please list equipment items that were purchased during the grant agreement period as specified in the grant agreement budget's cost detail schedule - Attachment B.2. Provide as much information about each piece as possible, including quantity, item name, item specifications: *make, model,* etc. Equipment is defined to be an article of non-expendable tangible personal property having a useful life of more than one (1) year and an acquisition cost of $5,000 or more per unit. Please complete and forward this form to the MDCH contract manager with the final progress report.

Grantee Name: Contract #: _____ Date: _____

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

Grantee's Signature: _____ Date: _____

PERFORMANCE / PROGRESS REPORT REQUIREMENTS

A. The Grantee shall submit the following reports on the following dates:

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

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

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

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

FINANCIAL STATUS REPORT

ATTACHMENT D

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

	Contract Number	Page	Of
Local Agency Name	Program	Code	
Street Address	Report Period **Thru** **Final**	Date Prepared	
City, State, ZIP Code	Agreement Period **Thru**	FE ID Number	

Category	Expenditures		Agreement	
	Current Period	**Agreement YTD**	**Budget**	**Balance**
1. Salaries & Wages				
2. Fringe Benefits				
3. Travel				
4. Supplies & Materials				
5. Contractual (Sub-Contracts)				
6. Equipment				
7. Other Expenses				
8. TOTAL DIRECT				
9a.Indirect Costs Rate #1:_%				
9b.Indirect Costs Rate #2:_%				
10. TOTAL EXPENDITURES				
SOURCE OF FUNDS: 11. State Agreement				
12. Local				
13. Federal				
14. Other				
15. Fees & Collections				
16. TOTAL FUNDING				

CERTIFICATION: I certify that I am authorized to sign on behalf of the local agency and that this is an accurate statement of expenditures and collections for the report period. Appropriate documentation is available and will be maintained for the required period to support costs and receipts reported.

Authorized Signature	Date	Title
Contact Person Name		Telephone Number

FOR STATE USE ONLY

	Advance	INDEX	PCA	A OBJ. CODE	AMOUNT
Advance Outstanding					
Advance Issued or Applied					
Balance					
Message					

Authority: P.A. 368 of 1978 **Completion:** is a Condition of Reimbursement	The Department of Community Health is an equal opportunity, employer, services, and programs provider.

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