



**COMMUNITY TECHNICAL, MANAGERIAL, AND FINANCIAL SUPPORT FOR LEAD SERVICE LINE REPLACEMENT GRANT AGREEMENT (ARP FUNDED)**

BETWEEN THE

**MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY AND GRANTEE NAME**

This Grant Agreement ("Agreement") is made between the Michigan Department of Environment, Great Lakes, and Energy (EGLE), **Finance Division** ("State"), and **Name of Grantee** ("Grantee").

The purpose of this Agreement is to provide funding in exchange for work to be performed for the project named below. The State is authorized to provide grant assistance pursuant to P.A. 166 of 2022. This Agreement is subject to the terms and conditions specified herein.

**PROJECT INFORMATION:**

Project Name: \_\_\_\_\_

Project #: TMF-\_\_\_\_\_

Amount of grant: \$\_\_\_\_\_

% of grant federal 100%

Amount of match: none required

PROJECT TOTAL: \$\_\_\_\_\_

Start Date: 10/1/2023

End Date: 9/15/2026

**FISCAL RECOVERY FUND (FRF) ITEMS:**

Recipient Type: Subrecipient

Can be used for allowable expenditures incurred on/or after: 10/1/2023

Federal Awarding Agency: US Department of Treasury

CFDA Number and Name: 21.027

FAIN Number: SLFRP0127

Research and Development Award:  Yes  No

SLFRF Category: 5.15 Drinking water: Other water infrastructure

SLFRF Short Name: FRF4873-TMF

Major Program: ARPTMF

**GRANTEE CONTACT INFORMATION:**

Name/Title: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Federal ID: \_\_\_\_\_

Grantee UEI Number: \_\_\_\_\_

SIGMA Vendor Number: \_\_\_\_\_ Address Code (if applicable): \_\_\_\_\_

**STATE'S CONTACT INFORMATION:**

Name/Title: \_\_\_\_\_

Division/Bureau/Office: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

The individuals signing below certify by their signatures that they are authorized to sign this Agreement on behalf of their agencies and that the parties will fulfill the terms of this Agreement, including any attached appendices, as set forth herein.

**FOR THE GRANTEE:**

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Signature \_\_\_\_\_ Name/Title \_\_\_\_\_ Date \_\_\_\_\_

**FOR THE STATE:**

Kelly Green, Administrator

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Signature \_\_\_\_\_ Name/Title \_\_\_\_\_ Date \_\_\_\_\_

## **I. PROJECT SCOPE**

This Agreement and its appendices constitute the entire Agreement between the State and the Grantee and may be modified only by written agreement between the State and the Grantee.

(A) The scope of this project is limited to the activities specified in Appendix A and such activities as are authorized by the State under this Agreement. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Agreement.

(B) By acceptance of this Agreement, the Grantee commits to complete the project identified in Appendix A within the time period allowed for in this Agreement and in accordance with the terms and conditions of this Agreement.

## **II. AGREEMENT PERIOD**

Upon signature by the State, the Agreement shall be effective from the Start Date until the End Date on page 1. The State shall have no responsibility to provide funding to the Grantee for project work performed except between the Start Date and the End Date specified on page 1. Expenditures made by the Grantee prior to the Start Date or after the End Date of this Agreement are not eligible for payment under this Agreement.

## **III. CHANGES**

Any changes to this Agreement shall be requested by the Grantee or the State in writing and implemented only upon approval in writing by the State. The State reserves the right to deny requests for changes to the Agreement or to the appendices. No changes can be implemented without approval by the State.

## **IV. GRANTEE DELIVERABLES AND REPORTING REQUIREMENTS**

The Grantee shall submit deliverables and follow reporting requirements specified in Appendix A of this Agreement.

(A) The Grantee must complete and submit quarterly financial and/or progress reports according to a form and format prescribed by the State and must include supporting documentation of eligible project expenses. These reports shall be due according to the following:

<b>Reporting Period</b>	<b>Due Date</b>
January 1 – March 31	April 10
April 1 – June 30	July 10
July 1 – September 30	Before October 10*
October 1 – December 31	January 10

\*Due to the State's year-end closing procedures, there will be an accelerated due date for the report covering July 1 – September 30. Advance notification regarding the due date for the quarter ending September 30 will be sent to the Grantee. If the Grantee is unable to submit a

report in early October for the quarter ending September 30, an estimate of expenditures through September 30 must be submitted to allow the State to complete its accounting for that fiscal year.

The forms provided by the State shall be submitted to the State's contact at the address on page 1. All required supporting documentation (invoices, proof of payment, etc.) for expenses must be included with the report.

(B) The Grantee shall provide a final project report in a format prescribed by the State. The Grantee shall submit the final status report, including all supporting documentation for expenses, along with the final project report and any other outstanding products within 30 days from the End Date of the Agreement.

## **V. GRANTEE RESPONSIBILITIES**

(A) The Grantee agrees to abide by all applicable local, state, and federal laws, rules, ordinances, and regulations in the performance of this grant, including Uniform Guidance for Federal Awards (2 CFR 200).

(B) All local, state, and federal permits, if required, are the responsibility of the Grantee. Award of this grant is not a guarantee of permit approval by the State.

(C) The Grantee shall be solely responsible to pay all applicable taxes and fees, if any, that arise from the Grantee's receipt or execution of this grant.

(D) The Grantee is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services submitted to the State under this Agreement. The Grantee shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in drawings, designs, specifications, reports, or other services.

(E) The State's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Grantee of responsibility for the technical adequacy of the work. The State's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

(F) The Grantee acknowledges that it is a crime to knowingly and willingly file false information with the State for the purpose of obtaining this Agreement or any payment under the Agreement, and that any such filing may subject the Grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the grant.

## **VI. USE OF MATERIAL**

Unless otherwise specified in this Agreement, the Grantee may release information or material developed under this Agreement, provided it is acknowledged that the State funded all or a portion of its development.

The State, and federal awarding agency, if applicable, retains a royalty-free, nonexclusive and irrevocable right to reproduce, publish, and use in whole or in part, and authorize others to do so, any copyrightable material or research data submitted under this grant whether or not the material is copyrighted by the Grantee or another person. The Grantee will only submit materials that the State can use in accordance with this paragraph.

## **VII. ASSIGNABILITY**

The Grantee shall not assign this Agreement or assign or delegate any of its duties or obligations under this Agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the Grantee and any subcontractor.

## **VIII. SUBCONTRACTS & SUBAWARDS**

The State reserves the right to deny the use of any consultant, contractor, associate, or other personnel to perform any portion of the project. The Grantee is solely responsible for all contractual activities performed under this Agreement. Further, the State will consider the Grantee to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Grant. All subcontractors used by the Grantee in performing the project shall be subject to the provisions of this Agreement and shall be qualified to perform the duties required.

For all Subawards - 2 CFR 200.331 – 200.333 Subrecipient Monitoring and Management All pass-through entities must:

**A)** Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

(1) Federal award identification.

- (i) Subrecipient name (which must match the name associated with its unique entity identifier)
- (ii) Subrecipient's unique entity identifier
- (iii) Federal Award Identification Number (FAIN)
- (iv) Federal Award Date (see the definition of Federal award date in § 200.1 of this part) of award to the recipient by the Federal agency
- (v) Subaward Period of Performance Start and End Date
- (vi) Subaward Budget Period Start and End Date
- (vii) Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient
- (viii) Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation
- (ix) Total Amount of the Federal Award committed to the subrecipient by the pass-through entity

(x) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA)

(xi) Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity

(xii) Assistance Listings number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement

(xiii) Identification of whether the award is R&D; and

(xiv) Indirect cost rate for the Federal award (including if the de minimis rate is charged) per § 200.414

(2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award.

(3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports.

(4) (i) An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government. If no approved rate exists, the pass-through entity must determine the appropriate rate in collaboration with the subrecipient, which is either:

(A) The negotiated indirect cost rate between the pass-through entity and the subrecipient; which can be based on a prior negotiated rate between a different PTE and the same subrecipient. If basing the rate on a previously negotiated rate, the pass-through entity is not required to collect information justifying this rate, but may elect to do so;

(B) The de minimis indirect cost rate.

(ii) The pass-through entity must not require use of a de minimis indirect cost rate if the subrecipient has a Federally approved rate. Subrecipients can elect to use the cost allocation method to account for indirect costs in accordance with § 200.405(d).

(5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part.

(6) Appropriate terms and conditions concerning closeout of the subaward.

**B)** Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:

(1) The subrecipient's prior experience with the same or similar subawards.

(2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the extent to which the same or similar subaward has been audited as a major program.

(3) Whether the subrecipient has new personnel or new or substantially changed systems.

(4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).

**C)** Consider imposing specific subaward conditions upon a subrecipient if appropriate as described in § 200.208.

**D)** Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

(1) Reviewing financial and performance reports required by the pass-through entity.

(2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.

(3) Issuing a management decision for applicable audit findings pertaining only to the Federal award provided to the subrecipient from the pass-through entity as required by § 200.521.

(4) The pass-through entity is responsible for resolving audit findings specifically related to the subaward and not responsible for resolving crosscutting findings. If a subrecipient has a current Single Audit report posted in the Federal Audit Clearinghouse and has not otherwise been excluded from receipt of Federal funding (e.g., has been debarred or suspended), the pass-through entity may rely on the subrecipient's cognizant audit agency or cognizant oversight agency to perform audit follow-up and make management decisions related to cross-cutting findings in accordance with section § 200.513(a)(3)(vii). Such reliance does not eliminate the responsibility of the pass-through entity to issue subawards that conform to agency and award-specific requirements, to manage risk through ongoing subaward monitoring, and to monitor the status of the findings that are specifically related to the subaward.

**E)** Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

(1) Providing subrecipients with training and technical assistance on program-related matters; and

(2) Performing on-site reviews of the subrecipient's program operations;

(3) Arranging for agreed-upon-procedures engagements as described in § 200.425.

**F)** Verify that every subrecipient is audited as required by Subpart F of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501.

**G)** Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.

(h) Consider taking enforcement action against noncompliant subrecipients as described in § 200.339 of this part and in program regulations.

#### **H) 200.333 Fixed amount subawards**

With prior written approval from the Federal awarding agency, a pass-through entity may provide subawards based on fixed amounts up to the Simplified Acquisition Threshold, provided that the subawards meet the requirements for fixed amount awards in §200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts.

#### **IX. NON-DISCRIMINATION**

The Grantee shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq.*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Grantee agrees to include in every subcontract entered into for the performance of this Agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.

#### **X. UNFAIR LABOR PRACTICES**

The Grantee shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq.*

#### **XI. LIABILITY**

(A) The Grantee, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Grantee under this Agreement, if the liability is caused by the Grantee, or any employee or agent of the Grantee acting within the scope of their employment or agency.

(B) Nothing in this Agreement should be construed as a waiver of any governmental immunity by the Grantee, the State, its agencies, or their employees as provided by statute or court decisions.

#### **XII. CONFLICT OF INTEREST**

No government employee, or member of the legislative, judicial, or executive branches, or member of the Grantee's Board of Directors, its employees, partner agencies, or their families shall benefit financially from any part of this Agreement.

#### **XIII. ANTI-LOBBYING**

If all or a portion of this Agreement is funded with federal funds, then in accordance with 2 CFR 200, as appropriate, the Grantee shall comply with the Anti-Lobbying Act, which prohibits the use of all project funds regardless of source, to engage in lobbying the state or federal government or in litigation against the State. Further, the Grantee shall require that the language of this assurance be included in the award documents of all subawards at all tiers.



If all or a portion of this Agreement is funded with state funds, then the Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2). "Lobbying" means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action." The Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of litigation against the State. Further, the Grantee shall require that language of this assurance be included in the award documents of all subawards at all tiers.

#### **XIV. DEBARMENT AND SUSPENSION**

Each eligible applicant must obtain a Unique Entity Identifier (UEI) and maintain an active registration with the Federal System for Award Management (SAM). The SAM website is: <https://www.sam.gov/SAM>.

By signing this Agreement, the Grantee certifies that it has checked the federal debarment/suspension list at [www.SAM.gov](http://www.SAM.gov) to verify that its agents, 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 the state.
- (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, as defined in 45 CFR 1185; 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 subsection (2)
- (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.
- (5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

#### **XV. AUDIT AND ACCESS TO RECORDS**

##### Federal Audit Requirements

- (A) (2 CFR 200.501) Audit required. A non-federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program specific audit conducted for that year in accordance with the provisions of this part
- (B) (2 CFR 200.508) Auditee requirements:
  - a. Procure or otherwise arrange for the audit, if required.
  - b. Prepare appropriate financial statements, including the schedule of expenditures of Federal awards.
  - c. Promptly follow up and take corrective action on the audit findings.
  - d. Provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit.

The State reserves the right to conduct a programmatic and financial audit of the project, and the State may withhold payment until the audit is satisfactorily completed. The Grantee will be required to maintain all pertinent records and evidence pertaining to this Agreement, including grant and any required matching funds, in accordance with generally accepted accounting principles and other procedures specified by the State. The State or any of its duly authorized representatives must have access, upon reasonable notice, to such books, records, documents, and other evidence for the purpose of inspection, audit, and copying. The Grantee will provide proper facilities for such access and inspection. All records must be maintained through December 31, 2031.

## **XVI. INSURANCE**

(A) The Grantee must maintain insurance or self-insurance that will protect it from claims that may arise from the Grantee's actions under this Agreement.

(B) The Grantee must comply with applicable workers' compensation laws while engaging in activities authorized under this Agreement.

## **XVII. OTHER SOURCES OF FUNDING**

The Grantee guarantees that any claims for reimbursement made to the State under this Agreement must not be financed by any source other than the State under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to delete from Grantee's billings, or to immediately refund to the State, the total amount representing such duplication of funding.

## **XVIII. COMPENSATION**

(A) A breakdown of costs allowed under this Agreement is identified in Appendix A. The State will pay the Grantee a total amount not to exceed the amount on page 1 of this Agreement, in accordance with Appendix A, and only for expenses incurred and paid. All other costs necessary to complete the project are the sole responsibility of the Grantee.

(B) Expenses incurred by the Grantee prior to the Start Date or after the End Date of this Agreement are not allowed under the Agreement.

(C) The State will approve payment requests after approval of reports and related documentation as required under this Agreement.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

(E) Payments under this Agreement may be processed by Electronic Funds Transfer (EFT). The Grantee may register to receive payments by EFT at the SIGMA Vendor Self Service web site (<https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService>).

## **XIX. CLOSEOUT**

(A) A determination of project completion, which may include a site inspection and an audit, shall be made by the State after the Grantee has met any match obligations, satisfactorily completed the activities, and provided products and deliverables described in Appendix A.

(B) Upon issuance of final payment from the State, the Grantee releases the State of all claims against the State arising under this Agreement. Unless otherwise provided in this Agreement or by State law, final payment under this Agreement shall not constitute a waiver of the State's claims against the Grantee.

(C) The Grantee shall immediately refund to the State any payments in excess of the costs allowed by this Agreement.

(D) Any funds received under the authorizing legislation for this program expended by the eligible applicant in a manner that does not adhere to the American Rescue Plan 117-2 or Uniform Guidance 2 CFR 200, as applicable, shall be returned to the state. If it is determined that an eligible applicant receiving funds under this act expends any funds under this act for a purpose that is not consistent with the requirements of the American Rescue Plan, Public Law 117-2, or Uniform Guidance 2 CFR 200, the state budget director is authorized to withhold payment of state funds, in part or in whole, payable from any state appropriation.

## **XX. CANCELLATION**

This Agreement may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, other lack of funding, upon request by the Grantee, or upon mutual agreement by the State and Grantee. The State may honor requests for just and equitable compensation to the Grantee for all satisfactory and eligible work completed under this Agreement up until 30 days after written notice, upon which time all outstanding reports and documents are due to the State and the State will no longer be liable to pay the grantee for any further charges to the grant.

## **XXI. TERMINATION**

(A) This Agreement may be terminated by the State as follows.

(1) Upon 30 days written notice to the Grantee:

- a. If the Grantee fails to comply with the terms and conditions of the Agreement, or with the requirements of the authorizing legislation cited on page 1, or the rules promulgated thereunder, or other applicable law or rules.
- b. If the Grantee knowingly and willingly presents false information to the State for the purpose of obtaining this Agreement or any payment under this Agreement.
- c. If the State finds that the Grantee, or any of the Grantee's agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State in an attempt to secure a subcontract or favorable treatment in awarding, amending, or making any determinations related to the performance of this Agreement.
- d. If the Grantee or any subcontractor, manufacturer, or supplier of the Grantee appears in the register of persons engaging in unfair labor practices that is compiled by the Michigan Department of Licensing and Regulatory Affairs or its successor.
- e. During the 30-day written notice period, the State shall withhold payment for any findings under subparagraphs a through d, above and the Grantee will immediately cease charging to the grant and stop earning match for the project (if applicable).

(2) Immediately and without further liability to the State if the Grantee, or any agent of the Grantee, or any agent of any subcontract is:

- a. Convicted of a criminal offense incident to the application for or performance of a State, public, or private contract or subcontract.
- b. Convicted of a criminal offense, including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees.
- c. Convicted under State or federal antitrust statutes; or
- d. Convicted of any other criminal offense that, in the sole discretion of the State, reflects on the Grantee's business integrity.
- e. Added to the federal or state Suspension and Debarment list.

(B) If a grant is terminated, the State reserves the right to require the Grantee to repay all or a portion of funds received under this Agreement.

## **XXII. IRAN SANCTIONS ACT**

By signing this Agreement, the Grantee is certifying that it is not an Iran linked business, and that its contractors are not Iran linked businesses, as defined in MCL 129.312.

## **XXIII. PROTECTED PERSONALLY IDENTIFIABLE INFORMATION (PII) AND THE PRIVACY ACT.**

In accordance with the Uniform Guidance (including but not limited to, sections §200.303 and §200.338) and the Privacy Act of 1974 (5 U.S.C. § 552a), the recipient is required to take reasonable measures to safeguard protected personally identifiable information and other information the US Department of Treasury or State of Michigan designates as sensitive or the recipient considers sensitive consistent with applicable Federal, State, local, and tribal laws regarding privacy and responsibility over confidentiality.

## **XXIV. STATUTORY CATEGORIES FOR USE OF FISCAL RECOVERY FUND (FRF)**

The four statutory categories for use of FRF funds are included below as outlined in the guidance. The program design has been approved to ensure that the program meets one of the requirements below. Appendix A provides additional details on eligible uses to ensure it aligns with Treasury's guidance.

- (1) To respond to the COVID-19 public health emergency or its negative economic impacts
- (2) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employers that have eligible workers who performed essential work
- (3) For the provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency
- (4) To make necessary investments in water, sewer, or broadband infrastructure

Treasury's Final Rule details compliance responsibilities and provides additional information on eligible and restricted uses of SLFRF award funds and reporting requirements. Your organization

should review and comply with the information contained in Treasury’s Interim Final Rule, and any subsequent final rule when building appropriate controls for SLFRF award funds.

## **XXV. PUBLICATIONS**

Any publications produced with funds from this award must display the following language: “This project [is being] [was] supported, in whole or in part, by federal award number SLFRP0127 awarded to The State of Michigan by the U.S. Department of the Treasury.”

### **Use of Funds Restrictions:**

First, a recipient may not use SLFRF funds for a program, service, or capital expenditure that includes a term or condition that undermines efforts to stop the spread of COVID-19. A program or service that imposes conditions on participation or acceptance of the service that would undermine efforts to stop the spread of COVID-19 or discourage compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19 is not a permissible use of SLFRF funds.

Second, a recipient may not use SLFRF funds in violation of the conflict-of-interest requirements contained in the Award Terms and Conditions or the Office of Management and Budget’s Uniform Guidance, including any self-dealing or violation of ethics rules. Recipients are required to establish policies and procedures to manage potential conflicts of interest.

Lastly, recipients should also be cognizant that federal, state, and local laws and regulations, outside of SLFRF program requirements, may apply. Furthermore, recipients are also required to comply with other federal, state, and local background laws, including environmental laws and federal civil rights and nondiscrimination requirements, which include prohibitions on discrimination on the basis of race, color, national origin, sex, (including sexual orientation and gender identity), religion, disability, or age, or familial status (having children under the age of 18).

## **PROGRAM-SPECIFIC BOILERPLATE**

### **XXVI. DISCLOSURE OF INFORMATION**

All reports and other printed or electronic material prepared by or for the Grantee under the Agreement will not be distributed without the prior written consent of the State except for items disclosed in response to a Freedom of Information Act request, Court Order or subpoena.

### **XXIX. PREVAILING WAGE and LABOR AGREEMENT**

This project is subject to the Davis-Bacon Act, 40 U S C 276a, *et seq*, which requires that prevailing wages and fringe benefits be paid to contractors and subcontractors performing on federally funded projects over \$2,000 for the construction, alteration, repair (including painting and decorating) of public buildings or works.

## FEDERALLY FUNDED PROGRAM-SPECIFIC BOILERPLATE

Funds were added under sections 602 and 603 of section 9901 of the Social Security Act of section 9901 of Public Law No. 117-2, known as American Rescue Plan Act of 2021 (“ARPA”), signed into law on March 11, 2021 <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds> as the Coronavirus State and Local Fiscal Recovery Funds (“FRF”). The State of Michigan was awarded \$6.54 billion dollars under the Fiscal Recovery Fund, on May 13, 2021.

OMB Uniform Guidance for Non-federal Agencies Receiving These Funds The U.S. Department of Treasury has indicated in the Coronavirus State and Local Fiscal Recovery Fund Frequently Asked Questions that are accessible at U.S. Department of Treasury State and Local Fiscal Recovery Funds, located at <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf>, that the SLFRF awards are generally subject to the requirements set forth in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 (the “Uniform Guidance”). All reimbursements requested under this program should be accounted for with supporting documentation. Eligible applicants should maintain documentation evidencing that the funds were expended in accordance with federal, state, and local regulations. In accordance with federal Uniform Guidance, funds received under this program shall be included on the eligible applicant’s Schedule of Expenditures of Federal Awards (SEFA) and included within the scope of the eligible applicant’s Single Audit.

Programs are required to follow the Uniform Guidance provisions that are included in the document. Applicants must review the eCFR Uniform Guidance at <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1> for complete requirements.

The SLFRF awards are generally subject to the requirements set forth in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 (the “Uniform Guidance”). In all instances, your organization should review the Uniform Guidance requirements applicable to your organization’s use of SLFRF funds, and SLFRF-funded projects. The following sections provide a general summary of your organization’s compliance responsibilities under applicable statutes and regulations, including the Uniform Guidance, as described in the 2022 OMB Compliance Supplement Part 3. Compliance Requirements (issued May 12, 2022).

The Award Terms and Conditions of the SLFRF financial assistance agreement sets forth the compliance obligations for recipients pursuant to the SLFRF statute, the Uniform Guidance, and Treasury’s Final Rule. Recipients should ensure they remain in compliance with all Award Terms and Conditions.

## PROJECT-SPECIFIC REQUIREMENTS – APPENDIX A

### Project Overview:

*[to be filled in by EGLE grant administrator]*

### EGLE approved estimated project costs include:

Activity	Budget
Service Line Verification	\$
Project Planning Document Development	\$
Public Outreach/Education	\$
<b>Total Task: TMF LSLR</b>	<b>[\$600,000]</b>
<b>Total Grant Amount</b>	<b>[\$600,000]</b>

Indirect costs are not allowed under this agreement.

Grantee initials
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Based upon guidance governing ARPA funding, EGLE has made the determination that all work pertaining to this project, including any sub-grantee activity, must be completed by September 31, 2026.

*[If applicable, add other specific eligibility as related to the project – EGLE grant administrator]*

*[If applicable: The following services have been determined to be ineligible for Grant assistance, for the reasons listed, and have been excluded from the approved project costs shown above:]*

### Program-specific Requirements:

- a) Non-professional contractor services should be competitively bid.
- b) A signed contract is needed for contracted services greater than \$50,000 prior to reimbursement.
- c) Tangible, permanent construction activities, including the replacement and/or repair of service lines, are not eligible for reimbursement under this grant.
- d) Projects that include funding for DWSRF project planning document development must submit a lead service line replacement project planning document no later than Spring of 2026 (DWSRF deadline for fiscal year 2027 funding). If a project planning document paid for using grant funds includes infrastructure work above and beyond LSLR, the Grantee agrees that they will proceed with solely the LSLR work in the event that SRF funds are limited and only available for LSLR activities.

- e) Force account may be utilized with justification documenting the need. Force account fringe benefits are limited to 40 percent and holiday and overtime pay is not grant eligible. Utility indirect costs (rent, overhead, etc.) are not grant eligible. A detailed summary sheet(s) including name, title, hours worked, per hour compensation (show wages and fringes) of each municipal employee with time billed to the project, along with a description of the service the employee provided, is needed for reimbursement.
- f) Completion of grant funded work does not constitute approval by the Department of Environment, Great Lakes, and Energy's Drinking Water and Environmental Health Division to meet a regulatory obligation. All compliance related questions need to be directed to your district engineer. All water systems need to meet required compliance deadlines and approval and execution of this grant contract does not alter a water supply's obligation to meet compliance deadlines.

If you need this information in an alternate format, contact [EGLE-Accessibility@Michigan.gov](mailto:EGLE-Accessibility@Michigan.gov) or call 800-662-9278.

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