AGENDA

THE GULF CONSORTIUM
Board Meeting

June 30, 2022; 3:30 p.m. Eastern
Hyatt Regency Orlando
9801 International Dr, Plaza D
Orlando, FL 32819, USA

Online
https://meet.goto.com/635182717
You can also dial in using your phone.
United States: +1 (571) 317-3116
Access Code: 635-182-717

Board Members
As attached.

Staff
Valerie Seidel, Dan Dourte, Richard Bernier, Amanda Jorjorian, Amy Bainbridge
(The Balmoral Group)
Lynn Hoshihara, Evan Rosenthal (Nabors, Giblin & Nickerson, P.A.)

Guest
Adam Nelson (Warren Averett)

Item 1. Call to Order.
Chairman Commissioner Christopher Constance will call the meeting to order.

Item 2. Roll Call.
Valerie Seidel will call the roll.

Item 3. Additions or Deletions.
Any additions or deletions to the committee meeting agenda will be announced.
RECOMMEND: Approval of a final agenda.

Item 4. Public Comments.
The public is invited to provide comments on issues that are on today's agenda. All comments regarding a specific agenda item will be considered following the Committee's discussion of that

agenda item. The meeting will be conducted electronically (or "virtually") You may participate in the meeting electronically by joining the go to meeting at
https://global.gotomeeting.com/join/176854197 or you may you can also dial in using your phone:
United States: +1 (872) 240-3212
Access Code: 176-854-197
Please note: Individuals who have comments concerning a specific agenda item shall make an effort to communicate with staff prior to that agenda item.
(please see backup pages 7-8)

Item 5. Consent Agenda.

The consent agenda items are presented for approval. Executive Committee members may remove any items from this agenda that they have questions on or would like to discuss in depth. Any items removed would then be included in the regular agenda in an order assigned by the Chair.

Consent Agenda Items:

- Minutes of the January 18, 2021 Board Meeting (*please see backup pages 8-12*)
- Report on delegated authority through May 31, 2022 (*please see back up pages 13-15)*
- Approval of 20% increase to annual contractual caps with request to add hour tracking reports to future agendas. (*please see back up pages 16-19)*

RECOMMEND: Approve Consent Agenda Items

Item 6. Audit Review

Valerie Seidel will present the Audit Review to the Board. Adam Nelson with Warren Averett will provide an audit summary. The Audit has been reviewed by the Audit Committee, Finance and Budget Committee and the Executive Committee (*Please see back up pages 20-69)*

Item 7. Policy Revisions

Valerie Seidel will summarize the policy updates for Executive Committee Approval. All policy revisions have been reviewed with the Policy Committee at two prior policy review meetings and recommended for approval by the Executive Committee.
(Please see back up pages 70-73) Procurement Policy 74-120, Procedures Review 121-125, Communications and Public Records 126-136, Conduct 137-145, Internal Controls 146-159, Subrecipient 160-240, Accounting and Financial Management 241-264, Grant Manual 265-324

RECOMMEND: Approve Updated Policies

Item 8. Grant Applications Status

Dan Dourte will give an update on grant application status. 2 new applications were received. Total funding requested: about $3.3M. Upcoming subrecipient applications should be delivered to the Gulf Consortium by 8/12/2022; these will be reviewed at the September 2022 Board Meeting. The status for all projects with active funding requests is regularly updated and can be accessed on P.7 of the interface at https://datavisual.balmoralgroup.us/GulfConsortiumProjects.

RECOMMEND: Approve Grant Applications for submission to RESTORE Council

(*Please see back up pages 325-336)*

Item 9. Financial Report

Richard Bernier will deliver updated financial reports.

(*Please see back up 337-342)*

RECOMMEND: Approve Financial Reports

Item 10. General Counsel Report

There are no updates from General Counsel.

(*Please see back up 343-344)*

RECOMMEND: For information only

Item 11. Manager's Report

Valerie Seidel will present an updated manager's report. (*Please see back up pages 345-347)*

RECOMMEND: For information only

Item 12. Public Comments

The public is invited to provide comments on relevant issues. (*Please see back up 348-349)*

RECOMMEND: For information only

Item 13. Board Member Comments

Members of the Gulf Consortium Board are invited to provide comments on relevant issues (*Please see back up 350-351)*

Item 14. Upcoming Gulf Consortium Board Meeting

Next Meeting: Date between September 14-16, 2022, exact date and time TBD

Miami-Dade County

Item 15. Adjourn

Notice of Meeting/Workshop Hearing

OTHER AGENCIES AND ORGANIZATIONS
Gulf Consortium
The Gulf Consortium announces a public meeting of its Board of Directors ("Board") to which all persons are invited to attend and participate. The meeting will be conducted in-person at the below-described location. However, members of the public who wish to attend and participate in the meeting may also do so remotely via communications media technology as further described below.

DATE AND TIME: June 30, 2022 at 3:30 pm (ET)
PLACE: Hyatt Regency Orlando
9801 International Dr, Plaza D
Orlando, FL 32819, USA
Interested persons may also participate by GoToMeeting and telephone via the following:
https://meet.goto.com/635182717
You can also dial in using your phone.
United States: +1 (571) 317-3116
Access Code: 635-182-717

GENERAL SUBJECT MATTER TO BE CONSIDERED: The Board will meet to review the status of grant applications and grants, review financials, and conduct other business at the discretion of the Board.

A copy of the agenda may be obtained at www.gulfconsortium.org or by contacting: General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 3 days before the workshop/meeting by contacting the General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1-800-955-8771 (TDD) or 1-800-955-8770 (Voice).

If any person decides to appeal any decision made by the Board with respect to any matter considered at this meeting, he/she may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence from which the appeal is to be issued.

For more information, please contact the General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us.

Gulf Consortium Directors, Alternates and Governor's Appointees
2022

County	Directors and Alternates
Bay	Commissioner Philip Griffitts, Director; Commissioner Robert Carroll, Alternate
Charlotte	Commissioner Christopher Constance, Director; Alternates: Commissioner Ken Doherty, Emily Lewis
Citrus	Commissioner Scott Carnahan, Director
Collier	Commissioner Burt Saunders, Director; Alternates: Commissioner Penny Taylor
Dixie	Duane Cannon, Director; Martha McCaskill, Alternate
Escambia	Commissioner Robert Bender, Director; Commissioner Doug Underhill, Alternate
Franklin	Commissioner Joseph "Smokey" Parrish, Director; Michael Morón, Alternate
Gulf	Clay Smallwood, Director; Sherry Herring, Alternate
Hernando	Commissioner Wayne Dukes, Director; Alternates: Jeffrey Rogers, County Administrator, Keith Kolasa
Hillsborough	Commissioner Mariella Smith, Director; Alternates: Commissioner Ken Hagan, Jim Taylor
Jefferson	Commissioner Betsy Barfield, Director; Parrish Barwick, Alternate
Lee	Commissioner Cecil Pendergrass, Director; Alternate: Kurt Harclerode
Levy	Commissioner John Meeks, Director; Tisha Whitehurst, Alternate
Manatee	Commissioner Carol Whitmore, Director; Charlie Hunsicker, Alternate
Monroe	Lisa Tennyson, Director; Commissioner David Rice, Alternate
Okaloosa	Mel Ponder, Director; Commissioner Carolyn Ketchel, Alternate
Pasco	Commissioner Jack Mariano, Director; Commissioner Ron Oakley, Alternate
Pinellas	Commissioner Charlie Justice, Director, Stacey Day, Alternate
Santa Rosa	Commissioner Dave Piech, Director
Sarasota	Commissioner Nancy Detert, Director; Joseph Kraus, Alternate
Taylor	Commissioner Jim Moody, Director; Alternates: LaWanda Pemberton, Commissioner Thomas Demps
Wakulla	David Edwards, Director; Commissioner Ralph Thomas, Alternate
Walton	Trey Nick, Director, Tony Anderson, Alternate, Melinda Gates, Alternate
Governor's Appointees	Peter Bos, Destin; Lino Maldonado, Niceville; Collier Merrill, Pensacola; Mike Sole, Tallahassee; Neal Wade, Panama City

AGENDA ITEM 4

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 4
Public Comments

Statement of Issue:
The public is invited to provide comments on issues that are on today's agenda.

Attachments:
None

Prepared by:
Amanda Jorjorian
The Balmoral Group
General Manager
On: June 21, 2022

AGENDA ITEM 5a

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 5
Approval of January 18, 2022 Minutes

Statement of Issue:
Request to approve the minutes of the January 18, 2022 meeting of the Gulf Consortium Board of Directors.

Options:
(1) Approve the January 18, 2022 minutes as presented; or
(2) Amend and then approve the minutes.

Recommendation:
Motion to approve Option 1.

Prepared by:
Amanda Jorjorian, The Balmoral Group
On: June 21, 2022

Attachment:
Draft Minutes, January 18, 2022 meeting of the Gulf Consortium Board of Directors

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended_____; Defeated_____.

Gulf Consortium Board Meeting
January 18, 2022 5:00pm ET
Teleconference

Members in Attendance: Chairman Christopher Constance (Charlotte), Duane Cannon (Dixie), Commissioner Robert Bender (Escambia), Clay Smallwood (Gulf), Commissioner Betsy Barfield (Jefferson), John Meeks (Levy), Lisa Tennyson (Monroe), Charlie Justice (Pinellas), Commissioner Jack Mariano (Pasco), Charlie Justice (Pinellas), Joseph Kraus (Sarasota), Commissioner Nancy Detert (Sarasota), Commissioner Piech (Santa Rosa), LaWanda Pemberton (Taylor), Melinda Gates (Walton)

Also in Attendance: Dan Dourte, Richard Bernier, Amanda Jorjorian (all, The Balmoral Group) Evan Rosenthal (NGN), Helen Gornes (Hernando County), Jane Evans (Okaloosa County)

Agenda Item #1 – Call to Order
Chairman Christopher Constance (Charlotte) called the meeting to order at 5:02. There was not a quorum so the Chairman went to public comment. Quorum was achieved.

Agenda Item #2 – Roll Call
Valerie Seidel (The Balmoral Group) took roll call. Attendees as above.

Agenda Item #3 – Addition or Deletions
Chairman Christopher Constance asks the board if there are any additions, deletions, or changes that need to be made to the agenda. Staff has none. Commissioner Nancy Detert (Sarasota) makes the motion for approval, Commissioner Barfield (Jefferson) seconded the motion. Chairman Christopher Constance asks the board if there is any discussion or opposition to the motion. Hearing none, it passes with unanimous consent.

ACTION: APPROVED

Agenda Item #4 – Public Comment
Chairman Christopher Constance asks if there is anybody from the public that wishes to speak to any of the items on the agenda. Hearing none, Chairman Christopher Constance proceeds to the next agenda item.

Agenda Item #5 – Consent Agenda
Chairman Christopher Constance presents the November 18, 2021 Board meeting minutes and Delegated Authority Report through December 31, 2021 for Board approval. Commissioner Mariano made the motion to approve, Commissioner Nancy Detert (Sarasota) seconded that motion. Chairman Christopher Constance asks the board if there is any discussion or opposition to this motion. Hearing none, it passes with unanimous consent.

ACTION: APPROVED

Agenda Item #6 –Officer Elections
Dan Dourte presented the Gulf Consortium officer elections including Chairman, Vice Chairman and Secretary/Treasurer. The incumbent officers were running for each office and because they were running for their current positions, voting can be handled by single board action similar to the January meeting in 2021. Commissioner Nancy Detert (Sarasota) made the motion to move approval for all three positions, second by Commissioner Betsy Barfield. Chairman Christopher Constance, Vice chair Commissioner John Meeks and Secretary/Treasurer Commissioner Jack Mariano are confirmed. Commissioner Constance commented that they will meet within a week to select at large and alternate members. There were no other comments on this item.

DRAFT

ACTION: APPROVED

Agenda Item #7 – Committee Assignments

Valerie Seidel provided the proposed audit and risk, finance and budget and policy review committees for approval. Commissioner Jack Mariano made the motion to approve, second by Commissioner John Meeks.

ACTION: APPROVED

Agenda Item #8 – Grant Application Status

Dan Dourte presented three new grant applications for review and approval by the board. The next deadline is May 2022 for review at the June Board Meeting. The three new projects are Pinellas 16-3: Land Acquisition for Floodplain Restoration and Resiliency – Property Acquisition, 10-4: Coastal Dredging – Construction/Dredging for Taylor County; and 5-1: Septic to Sewer Construction – Construction for Bay County; $6,538,836. Staff recommends to approve the three applications. Commissioner Jack Mariano made the motion to approve, second by Commissioner Charlie Justice. Robert Bender (Escambia County) arrives.

ACTION: APPROVED

Agenda Item #9 – Financial Report

Chairman Christopher Constance recognized Richard Bernier who presented the Financial Statements through November 2021. The Income statement shows $129,364 in grant expense, general expense 9% of the budget. The trust balance is $126 million dollars, awarded grants of $37 million. $75.3 million is total awarded. No questions on this item. Commissioner Nancy Detert made the motion to approve, second by Commissioner Jack Mariano.

ACTION: APPROVED

Agenda Item #10– SEP Amendment #4 Submit Final to RESTORE

Dan Dourte presented the fourth SEP Amendment. The Amendment has been through the comment period as the draft was released November 22nd. There were no comments on the Amendment from general public. There were comments from FDEP and FEC and from RESTORE Council which had been addressed. This amendment was adding a new project for Taylor County (10-4), new project in Citrus County, removed project 13-4, scope added to Project 17-1, Bay County raw water line component was eliminated, Okaloosa County adjusted funding amounts, Pinellas County Scope clarification, and Wakulla 8-1 construction effort was clarified. Staff recommends approval to submit to RESTORE. There were no questions on this item. Commissioner John Meeks made the motion to approve, second by Commissioner Jack Mariano. No opposition.

ACTION: APPROVED

Agenda Item #11- General Counsel Report

Evan Rosenthal informed the Board that legal counsel has no updates at this time. Chairman Christopher Constance asks the Board if they have any questions for Evan. Hearing none, Chairman Constance proceeds to the next agenda item. Mary Walker was on the call and commented that she hoped to meet the board in person, hopefully at the June Meeting.

ACTION: N/A

Agenda Item #12– Manager's Report

Valerie Seidel presented the Managers report of the items since the last board meeting. Financial reports were being submitted. Mid-year check-ins and financial reviews will be following this meeting. DEP noted that the standing agenda item can be removed as they anticipate little new information for the meetings. The next board meeting is not until June so if needed for grant approvals, an Ad Hoc meeting will be scheduled prior to the June Board Meeting.

ACTION: None Informational only.

Agenda Item #13– Public Comments

Chairman Christopher Constance asks if anybody from the public wishes to make a comment. Hearing none, Chairman Christopher Constance proceeds to the next agenda item.

ACTION: None informational only.

Agenda Item #14 – Board Member Comments

Chairman Constance asks if there is anybody on the Board that wishes to make a comment. Jack Mariano congratulated the Chairman and Commissioner Meeks' re-election and thanked the board for his re-election.

ACTION: None informational only.

Agenda Item #15- Upcoming Gulf Consortium Board Meeting

The next Meeting is scheduled for June in Orlando. There is no time or date as of now; they will coordinate with FAC.

Agenda Item #16- Adjourn

Chairman Christopher Constance adjourn the meeting at 5:31

DRAFT

AGENDA ITEM 5b

Gulf Consortium Board Meeting
June 30, 2022

Consent Agenda

Item 5b

Report on Delegated Authority
Actions from January 1, 2022 – May 31, 2022

Summary:

Staff report of actions carried out through delegated authority of the Board. There were 7 new awards accepted for $22.5 million, 8 new applications at $24.8 million, and there were 19 draw requests for $8.7 million. A detailed listing of individual transactions follows.

Submission Date	Action Taken	County	Project No.	Amount
1/24/2022	Draw Request	Adaptive Planning	24-1	3,326.00
1/24/2022	Draw Request	Bay County	5-2	14,631.58
2/11/2022	Submitted Final Performance Report	Jefferson	9-2	
2/15/2022	Submitted Performance Report	Citrus	13-2	
2/15/2022	Submitted Performance Report	Sarasota	19-1	
2/15/2022	Submitted Performance Report	Okaloosa	3-3	
2/16/2022	Submitted Application	Pinellas	16-3	3,374,518.00
2/16/2022	Submitted Application	Pasco	15-1	5,090,277.00
2/17/2022	Submitted Performance Report	Hernando	14-1	
2/18/2022	Draw Request	Adaptive Planning	24-1	2,404.52
2/18/2022	Draw Request	Bay County	5-2	12,916.66
2/18/2022	Draw Request	Collier County	22-1	23,412.27
2/18/2022	Draw Request	Wakulla County	8-2	568.75
2/18/2022	Draw Request	Jefferson County	9-2	46,143.84
2/18/2022	Submitted Financial Report	Okaloosa	3-3	
2/18/2022	Submitted Financial Report	Sarasota	19-1	
2/18/2022	Submitted Financial Report	Collier	22-1	
2/18/2022	Submitted Financial Report	Bay	5-2	
2/18/2022	Submitted Financial Report	Walton	4-1	
2/18/2022	Submitted Final Financial Report	Jefferson	9-2	
2/18/2022	Submitted Financial Report	Citrus	13-2	
2/18/2022	Submitted Performance Report	Walton	4-1	
2/18/2022	Submitted Performance Report	Bay	5-2	
2/18/2022	Submitted Performance Report	Collier	22-1	
3/4/2022	Submitted Final Financial Report	Wakulla County	8-2	
3/8/2022	Submitted Application	Bay	5-1	1,522,132.00

3/10/2022	Draw Request	Adaptive Planning	24-1	25,621.29
3/11/2022	Draw Request	Franklin	7-3	5,004,550.92
3/28/2022	Accepted Award	Citrus	13-1	5,988,821.00
3/28/2022	Accepted Award	Manatee	18-6	349,885.00
4/13/2022	Draw Request	Adaptive Planning	24-1	5,514.15
4/13/2022	Draw Request	Citrus	13-1	15,872.26
4/13/2022	Draw Request	Bay	5-2	15,959.44
4/20/2022	Draw Request	Manatee	18-6	9,290.29
4/20/2022	Draw Request	Hillsborough	17-1	3,307,330.36
4/27/2022	Submitted Financial Report	Levy	12-2	
4/30/2022	Submitted Performance Report	Adaptive Planning	24-1	
5/6/2022	Resubmittal Application	Wakulla	8-1	7,721,441.00
5/6/2022	Resubmittal Application	Pasco	15-1	5,090,277.00
5/6/2022	Resubmittal Application	Okaloosa	3-4	1,431,554.00
5/6/2022	Application Amendment	Walton	4-1	679,029.00
5/6/2022	Application Amendment	Franklin	7-3	5,047,064.00
5/10/2022	Accepted Award	Taylor	10-2	1,075,161.00
5/11/2022	Accepted Award	Santa Rosa	2-1	856,243.00
5/11/2022	Accepted Award	Wakulla	8-1	7,721,441.00
5/12/2022	Accepted Award	Okaloosa	3-4	1,431,554.00
5/12/2022	Accepted Award	Pasco	15-1	5,090,277.00
5/19/2022	Draw Request	Adaptive Planning	24-1	4,657.65
5/19/2022	Draw Request	Santa Rosa	2-1	200,238.72
5/19/2022	Draw Request	Collier	22-1	12,119.63
5/19/2022	Draw Request	Bay	5-2	8,044.96
5/19/2022	Draw Request	Gulf	6-2	17,509.01
5/27/2022	Submitted Financial Report	Adaptive Planning	24-1	
5/27/2022	Submitted Financial Report	Manatee	18-2	
5/27/2022	Submitted Financial Report	Pinellas	16-2	
5/27/2022	Submitted Financial Report	Escambia	1-1	
5/27/2022	Submitted Performance Report	Manatee	18-2	
5/27/2022	Submitted Performance Report	Pinellas	16-2	
5/27/2022	Submitted Performance Report	Escambia	1-1	
5/27/2022	Submitted Performance Report	Gulf	6-2	

AGENDA ITEM 5c

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 5c
Review of Annual Cap and Management Actual Hours vs Contracted Hours

Statement of Issue:
Presentation of total actual management hours for grant and general administration compared to contracted hours. The contract includes annual caps, which are required to be reviewed annually.

Background:
Management hours are contracted based on expected effort to handle the general administrative needs of the Consortium. This is funded through the County assessments. There are also contracted hours for expected management hours for the administration of grants; these costs are part of the grant funding.

Update:
Provided are graphs to compare the actual hours to contracted hours for both. As this is the first meeting following the completion of one contractual year, the following information was provided to the Executive Committee:

- We have successfully decreased admin costs to the Counties by nearly 20%, due to the adaptive planning grant.
- Adaptive planning admin hours are down 57%. The first year including the extra costs of preparing and submitting the grant application.
- The number of grant reports and invoices increased 265% due to the increase in grant activity.
- Costs increased 35% due to increased grant activity, but are still within caps. By this time next year, caps are likely to require increase.

The number of grant reports and invoices has more than doubled, due to increased grant activity. If this trajectory continues for the next 21 months, the cap will likely be exceeded before the next anniversary (4/30/23).

Contractual caps and hourly rates are sufficient to date. Note, contractual caps do not align perfectly with budgeted amounts, since the contract dates do not align with fiscal years. The budget is sufficient to cover costs regardless of the contract caps.

The contract allows for Executive Committee to approve increases up to 20% on the hourly rate and cap. By Fiscal Year 2024-25, the cap will almost certainly be exceeded, and owing to the 20% annual limit on adjustments, an interim adjustment is reasonable to be in line the following year.

Staff proposes allowing for a 20% increase to the contract cap – this does not affect the budget, only the contractual cap. Finance Committee approved the cap, recommendation Executive Committee approved the recommendation to the full board.

Attachments:

a) Grant actual hours compared to contracted hours.
b) General administrative actual hours compared to contracted hours.

Action Required:

1) Recommend approval of 20% increase to annual contractual caps \
2) Other Board direction

Prepared by:

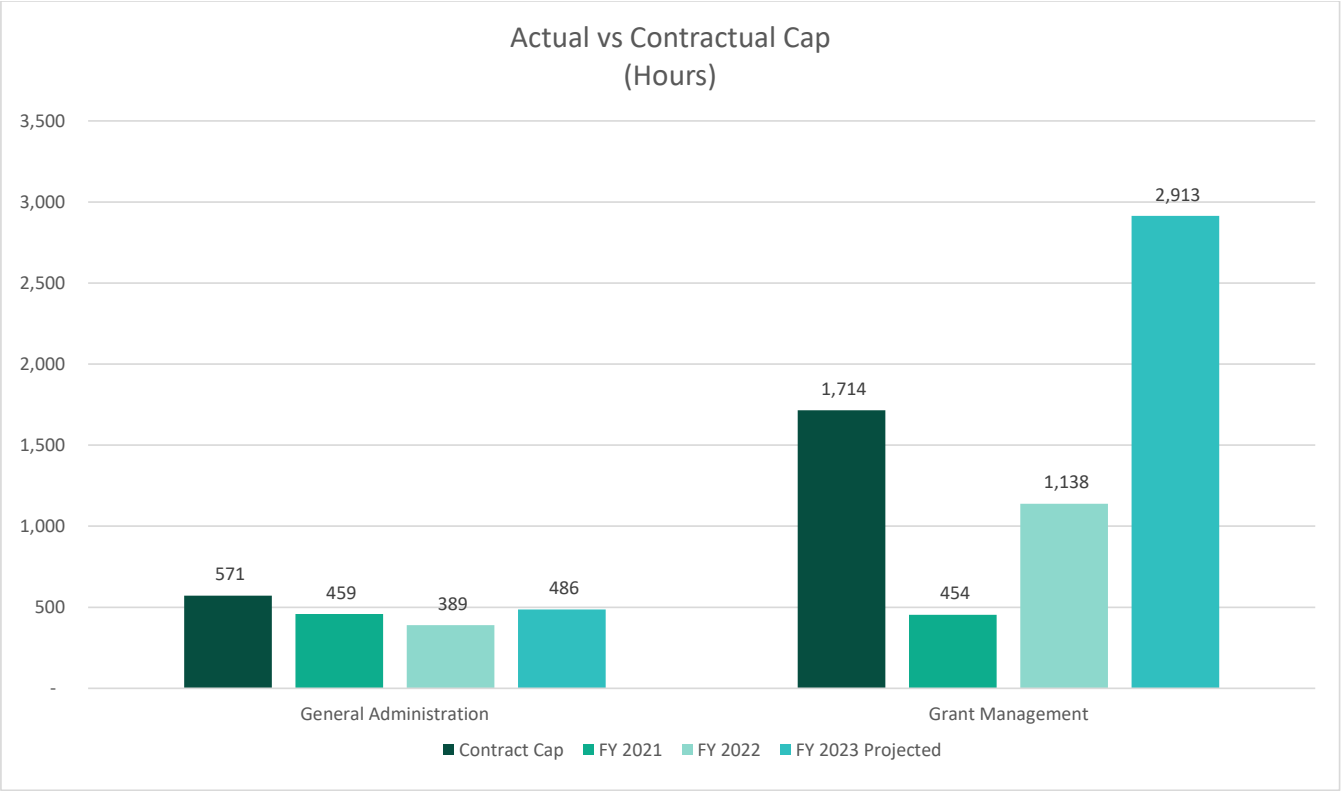
Valerie Seidel
The Balmoral Group
On: June 8, 2022

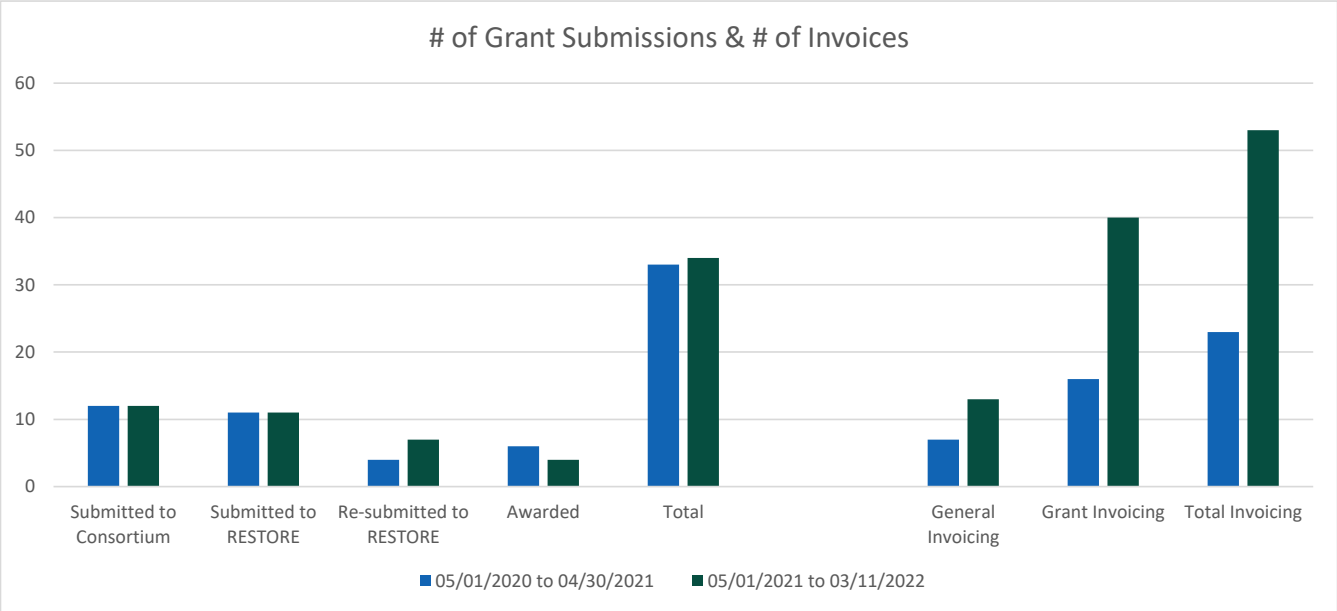
Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended_____; Defeated_____.


Actual vs Contractual Cap
(Hours)
3,500
3,000
2,500
2,000
1,500
1,000
500
-
571
459
389
486
1,714
454
1,138
2,913
General Administration
Grant Management
Contract Cap
FY 2021
FY 2022
FY 2023 Projected


# of Grant Submissions & # of Invoices
60
50
40
30
20
10
0
Submitted to Consortium
Submitted to RESTORE
Re-submitted to RESTORE
Awarded
Total
General Invoicing
Grant Invoicing
Total Invoicing
05/01/2020 to 04/30/2021
05/01/2021 to 03/11/2022

AGENDA ITEM 6

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 6
Consortium Audit

Statement of Issue:
Board acceptance of the findings of the Consortium's Audit and Federal Single Audit.

Background:
A summary of the audit will be provided verbally to the Executive Committee.

Options:
(1) Approve the Auditors report
(2) Board Direction

Recommendation:
Motion to approve Option 1.

Attachments:
Annual Financial Report and Independent Audit Report, through September 30, 2021

Prepared by:
Valerie Seidel
The Balmoral Group
On: June 7, 2022

Action Taken:

Motion to:_____, Made by:_____;

Seconded by:_____.

Approved____; Approved as amended_____; Defeated_____.

Audit Results For Year Ending September 30, 2021

GULF CONSORTIUM
JUNE 15, 2022

This Year's Audit Results

Matter	Conclusion
Opinion on Financial Statements	▪ Fairly stated in all material respects ▪ Considered a "clean" or "unmodified" report ▪ Highest level of assurance we can provide

Reporting on Supplemental Information	▪ Fairly stated in all material respects in relation to the Consortium's financial statements
	  ▪ Subjected to the procedures applied in the Consortium's financial statement audit
	  ▪ Requires that all supplemental data be compared and reconciled directly to underlying accounting records among other procedures

Reporting under *Governmental Auditing Standards*	▪ No instances of noncompliance or other matters identified and reported ▪ No matters relative to internal controls identified and reported from our consideration of controls over financial reporting assessed during the audit

Solely for the use of Gulf Consortium including
Management and those charged with Governance

Warren Averett
CPAS AND ADVISORS

This Year's Audit Results

Matter	Conclusion
Report under *Uniform Guidance*	▪ We believe the Consortium complied in all material respects with compliance requirements that could have a direct and material effect on the major program. ▪ No instances of noncompliance identified and reported related to the major federal program. ▪ No matters relative to internal control identified and reported related to the major federal program. ▪ Major federal program = Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program (CFDA 87.052)
Other Matters	▪ No instances of fraud or illegal acts were noted ▪ No material uncertainties were noted ▪ No significant changes to our planned scope or approach were required during year end fieldwork

Solely for the use of Gulf Consortium including
Management and those charged with Governance

Warren Averett
CPAS AND ADVISORS

Qualitative Aspects of Accounting Practices

Changes in Accounting Policies	Significant or Unusual Transactions	Alternative Accounting Policies
▪ No new policies ▪ No changes to existing polices	▪ All significant transactions recorded properly ▪ No unusual transactions noted	▪ No transactions which lack guidance or consensus noted

Solely for the use of Gulf Consortium including Management and those charged with Governance

Warren Averett CPAS AND ADVISORS

Other Audit Matters

Matter	Conclusion
Sensitive disclosures affect the financial statements	▪ Disclosures relating to revenue concentration as noted in Note 5.
Difficulties encountered in performing the audit	▪ None
Material adjustments detected by the audit process	▪ None.
Adjusting entries not recorded given insignificance	▪ None.

Solely for the use of Gulf Consortium including
Management and those charged with Governance

Warren Averett
CPAS AND ADVISORS

Other Audit Matters

Matter	Conclusion
Disagreements with Management	▪ None
Discussions with other independent accountants	▪ Management has informed us that they have not consulted with other accountants
Other findings or issues	▪ None

Solely for the use of Gulf Consortium including
Management and those charged with Governance

Warren Averett
CPAS AND ADVISORS

GULF CONSORTIUM

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

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GULF CONSORTIUM
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INDEPENDENT AUDITORS' REPORT

To the Honorable Members of Gulf Consortium

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities and the general fund of the Gulf Consortium (the Consortium), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Consortium's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Gulf Consortium as of September 30, 2021, and the respective changes in financial position, and the respective budgetary comparison information for the general fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2022, on our consideration of the Consortium's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Consortium's internal control over financial reporting and compliance.

Fort Walton Beach, Florida
June 10, 2022

As management of the Gulf Consortium (the Consortium), our discussion and analysis of the Consortium's financial performance provides an overview of the Consortium's financial activities for the fiscal year ended September 30, 2021. It should be read in conjunction with the Consortium's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Consortium's assets exceeded its liabilities by $15,163 (net position) and represents a decrease of $7,720 from the prior year. The total net position of the Consortium is unrestricted.
- Operating revenues consist of membership dues paid by each of the 23 participating counties and grant funds earned from the Oil Spill Impact Program. Total revenues earned during the year ended September 30, 2021, were $964,969, of which 89% was generated from a federal grant award and 11% from membership dues.
- Grant-funded expenses of $858,182 consisted of direct project costs and services approved to provide grant management services.
- Other operating expense of $114,507, which was paid from membership dues and prior year unrestricted resources related to Consortium management, legal, audit, meeting and travel and other operating expenses. The Consortium budgeted to use excess fund balance derived from membership dues from prior years to fund a portion of membership expenses in FY21.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Consortium is a public entity created in 2012 by Inter-local Agreement among Florida's 23 Gulf Coast counties, from Escambia County in the western panhandle of Florida to Monroe County on the southern tip of Florida and the United States.

Florida's 23 Gulf Coast counties formed the Consortium to meet requirements of the RESTORE Act to develop a State Expenditure Plan for economic and environmental recovery of the Gulf Coast in Florida following the Deepwater Horizon oil spill. The RESTORE Act was passed by the Congress and signed into law in 2012, by the President.

The Consortium's Board of Directors consists of one representative from each of the 23 counties. As a public entity, the Consortium must meet all government transparency requirements in Florida, including open public records and meetings, ethics, and state auditing obligations. The Consortium meets regularly to carry out its duties in administering the oil spill funds.

The Consortium entered into a Memorandum of Understanding (MOU) with Florida Governor Rick Scott in 2013 to foster the development of the State Expenditure Plan (SEP), to enhance coordination and also to ensure consistency with the goals and objectives of the Gulf Coast Ecosystem Restoration Council's Draft Initial Comprehensive Plan: Restoring the Gulf Coast's Ecosystem and Economy. The MOU outlines cooperation elements between the Governor's office and the Consortium and identifies the Consortium as the responsible party for the creation of the State Expenditure Plan.

OVERVIEW OF THE FINANCIAL STATEMENTS – CONTINUED

Governmental financial statements – The governmental financial statements are designed to provide readers with a broad overview of the Consortium's finances.

Government-wide and Fund Financial Statements
The basic financial statements of the Consortium are composed of the following:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to Financial Statements

Government-wide Financial Statements (the Statement of Net Position and the Statement of Activities) report information on the reporting entity as a whole. The Consortium only has governmental activity and does not engage in any business-type activities.

The *government-wide financial statements* are designed to provide readers with a broad overview of the Consortium's finances, in a manner similar to a private-sector business. The *statement of net position* presents information on all of the Consortium's assets, deferred outflows (if any), liabilities, and deferred inflows (if any), with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Consortium is improving or deteriorating. The *statement of activities* presents information showing how the Consortium's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The accounts of the Consortium are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. The Consortium only maintains a general fund and is presented in separate fund financial statements. Governmental fund financial statements are prepared on a modified basis using current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets.

The Consortium adopts and annual budget for the general fund. A budgetary comparison has been presented for the general fund as part of the basic financial statements, which compares not only the actual results to budget but also the original adopted budget to final budget.

Notes to financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The Management's Discussion and Analysis is the only required supplementary information applicable to the Consortium's form of government and related activities.

FINANCIAL ANALYSIS

Table 1 focuses on net position. The Consortium's net position was $15,163 as of September 30, 2021. Unrestricted net position is intended to cover the Consortium's on-going operating expenses. During the year ended September 30, 2021, planning grant funds and SEP grant funds were available to the Consortium to pay for any grant-related costs.

Table 2 focuses on the change in net position. Operating revenues consist of membership dues paid by each of the 23 participating counties and grant funds earned from the Oil Spill Impact Program. Grant-funded expenses of $858,182, consisted of direct project costs and services approved to provide grant management services. Other operating expenses of $114,507, which were paid from membership dues and prior year unrestricted resources related to the Consortium's management, legal, audit, meeting and travel and other operating expenses.

TABLE 1
GULF CONSORTIUM
STATEMENTS OF NET POSITION
AS OF SEPTEMBER 30, 2021 AND 2020

	2021	2020
ASSETS		
Cash and cash equivalents	$ 6,251	$ 42,053
Due from other governments	140,486	31,482
Prepaid Expenses	15,865	-
TOTAL ASSETS	162,602	73,535
LIABILITIES		
Accounts payable	147,439	50,652
TOTAL LIABILITIES	147,439	50,652
NET POSITION		
Unrestricted	15,163	22,883
TOTAL NET POSITION	$ 15,163	$ 22,883

TABLE 2
GULF CONSORTIUM
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
REVENUES		
Operating grants and contributions	$ 964,969	$ 1,421,732
TOTAL REVENUES	964,969	1,421,732
EXPENSES		
Governmental activities		
General government		
Grant-funded expenses	858,182	1,314,946
Not-grant funded expenses	114,507	136,555
TOTAL EXPENSES	972,689	1,451,501
CHANGE IN NET POSITION	(7,720)	(29,769)
NET POSITION, BEGINNING OF YEAR	22,883	52,652
NET POSITION, END OF YEAR	$ 15,163	$ 22,883

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal year 2021 budget included the expectation to receive grant revenues relating to the Adaptive Planning Grant and Florida State Expenditure Plan. During fiscal year 2021 approximately 17 grant awards were made to 8 Florida counties totaling $790,200. The projects are intended to substantially improve water resources across the Gulf and restore areas of habitat.

The Consortium's budgeted expenses for fiscal year 2022 total approximately $52.6 million. The 2022 budget includes approximately $124,000 of general operating expenses to be funded with membership dues and carry over funds from the previous year, $64,000 of grant compliance related expenses, and $52 million in expenses for economic and environmental recovery projects in the Gulf Coast of Florida.

REQUESTS FOR INFORMATION

This financial report is designed to provide a narrative overview and analysis of the financial activities of the Consortium for the fiscal year ended September 30, 2021. Management's Discussion and Analysis is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Consortium's financial activities, (c) identify changes in the Consortium's financial position, and (d) identify individual fund issues or concerns of the Consortium's financial activity. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the President, The Balmoral Group, LLC, 165 Lincoln Avenue, Winter Park, Florida, 32789.

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BASIC FINANCIAL STATEMENTS

GULF CONSORTIUM
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 6,251
Due from other governments	140,486
Prepaid Expenses	15,865
TOTAL ASSETS	162,602
LIABILITIES	
Accounts payable and accrued liabilities	147,439
NET POSITION	
Unrestricted	$ 15,163

See notes to the financial statements.

GULF CONSORTIUM
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

		Program Revenues			Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
General government	$ 972,689	$ -	$ 964,969	$ -	$ (7,720)
				NET POSITION AT BEGINNING OF YEAR	22,883
				NET POSITION AT END OF YEAR	$ 15,163

See notes to the financial statements.

GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
BALANCE SHEET
SEPTEMBER 30, 2021

ASSETS		
Cash and cash equivalents	$	6,251
Due from other governments		140,486
Prepaid Expenses		15,865
TOTAL ASSETS	$	162,602
LIABILITIES		
Accounts payable and accrued liabilities	$	147,439
FUND BALANCE		
Nonspendable		15,865
Unassigned		(702)
TOTAL FUND BALANCE		15,163
TOTAL LIABILITIES AND FUND BALANCE	$	162,602

See notes to the financial statements.

GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Fund balance, general fund	$	15,163
Amounts reported for governmental activities in the statement of net position are not different.		-
Net position of governmental activities	$	15,163

See notes to the financial statements.

GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

REVENUES	
Intergovernmental:	
Planning grants	$ 73,887
SEP grants	784,292
Membership dues	106,790
Total revenues	964,969
EXPENDITURES	
Current	
General government	
Membership expenditures	
Management fees	73,996
Legal and other professional fees	26,854
Meetings and other operating	13,657
Total membership expenditures	114,507
Grant expenditures	
Planning grants	73,887
SEP grants	784,295
Total grants expenditures	858,182
TOTAL EXPENDITURES	972,689
NET CHANGE IN FUND BALANCE	(7,720)
FUND BALANCE AT BEGINNING OF YEAR	22,883
FUND BALANCE AT END OF YEAR	$ 15,163

See notes to the financial statements.

GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balance – general fund	$	(7,720)
Amounts reported for governmental activities in the statement of activities are not different		-
Change in net position of governmental activities	$	(7,720)

See notes to the financial statements.

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GULF CONSORTIUM
GOVERNMENTAL FUND – GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts			
	Original	**Final**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Intergovernmental:				
Planning grants	$ 191,860	$ 191,860	$ 73,887	$ (117,973)
State expenditure plan (SEP)	79,933,500	79,933,500	784,292	(79,149,208)
Membership dues	106,790	106,790	106,790	-
TOTAL REVENUES	80,232,150	80,232,150	964,969	(79,267,181)
EXPENDITURES				
Membership expenditures				
Management fees	65,620	65,620	73,996	(8,376)
Legal and other professional fees	21,500	21,500	26,854	(5,354)
Meetings and other operating	29,855	29,855	13,657	16,198
Total management expenditures	116,975	116,975	114,507	2,468
Grant expenditures				
Planning grants implementation	63,950	63,950	73,887	(9,937)
SEP implementation (county projects)	39,966,750	39,966,750	784,295	39,182,455
Total grant expenditures	40,030,700	40,030,700	858,182	39,172,518
TOTAL EXPENDITURES	40,147,675	40,147,675	972,689	39,174,986
EXCESS DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	40,084,475	40,084,475	(7,720)	(40,092,195)
FUND BALANCE AT BEGINNING OF YEAR	22,883	22,883	22,883	-
FUND BALANCE AT END OF YEAR	$ 40,107,358	$ 40,107,358	$ 15,163	$ (40,092,195)

See notes to the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF DISTRICT

Description of District

The Gulf Consortium (the Consortium) was created in response to the United States Resources and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act). The RESTORE Act was established as a mechanism for providing funding to the Gulf Coast region to restore ecosystems and rebuild local economies damaged by the Deepwater Horizon Oil Spill, which occurred on April 20, 2010. The RESTORE Act established the Gulf Coast Ecosystem Restoration Council (the Restoration Council), an independent entity, which is composed of certain federal officials and the Governors of Alabama, Florida, Mississippi, Louisiana and Texas. The RESTORE Act charges the Restoration Council with developing a comprehensive plan for ecosystem restoration in the Gulf Coast region ("Council Comprehensive Plan") that identifies projects and programs aimed at restoring and protecting the natural resources and ecosystems of the Gulf Coast Region. The projects and programs are funded from a portion of the Gulf Coast Restoration Trust Fund. For Florida, the RESTORE Act, under 33 U.S.C. Chapter 1321(t)(3)(2012), requires a consortia of local political subdivisions to develop a State Expenditure Plan, for which the RESTORE Act provides for Trust Fund expenditures that would fund projects, programs and activities that will improve the ecosystems or economy of the Gulf Coast region that meet the criteria specified in the RESTORE Act. Therefore, pursuant to Section 163.01, *Florida Statutes,* by Inter-local Agreement among 23 Florida Gulf Coast affected counties, the Consortium was created on November 19, 2012, to: 1) develop Florida's State Expenditure Plan, 2) prepare and process proposals for funding under the competitive program to be processed and administered by the Restoration Council, and 3) act as a resource and advocate for Consortium members.

In 2015, the Restoration Council published its final rule on the RESTORE Act, Spill Impact component state allocation formula. The Spill Impact component represents 30% of a portion of civil fines and administrative penalties derived from the Clean Water Act and is expected to be $1.60 billion. The allocation of the Spill Impact component for the State of Florida is 18.36% of the total designated or approximately $242 million.

During the year ended September 30, 2015, the Consortium planning grant application to prepare Florida's State Expenditure Plan (FSEP) was submitted to the Restoration Council and was subsequently approved. The Consortium's State Expenditure Plan was approved in September 2018 and the Board received approval to commence implementation activities in February 2019. The Board approved the first group of grant applications in March 2019. In September 2019 the first project was awarded. As of September 30, 2021, 21 projects have been awarded.

The Reporting Entity

The Consortium was incorporated as an independent special district, under the laws and regulations of the State of Florida. Membership of the Consortium is limited to the counties that were impacted by the Deepwater Horizon Oil Spill. As of September 30, 2021, the Consortium's membership consisted of the 23 Florida counties with frontage to the Gulf of Mexico. Each member appoints one Director of the Consortium to act as a representative on its behalf. The Consortium operates independently and is not subject to the oversight of any individual governmental unit, and therefore, is not a component unit of another primary government.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF DISTRICT – CONTINUED

Government-wide and Fund Financial Statements
The basic financial statements of the Consortium are composed of the following:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to Financial Statements

Government-wide Financial Statements (the Statement of Net Position and the Statement of Activities) report information on the reporting government as a whole. The Consortium only has governmental activity and does not engage in any business-type activities.

The Statement of Activities shows the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly related to a specific function or segment. *Program revenue* consists of contributions that are restricted to meeting specific requirements of a particular function or segment.

Measurement Focus and Basis of Accounting
The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the Consortium considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to claims and judgments are recorded only when payment is due.

Intergovernmental revenues during the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period.

The Consortium reports the following major governmental fund:

General Fund – The General Fund is the general operating fund of the Consortium and is used to account for all financial resources, except for those required to be accounted for in another fund.

When both restricted and unrestricted resources are available for use, it is the Consortium's policy to use restricted resources first, then unrestricted resources, as they are needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF DISTRICT – CONTINUED

Intergovernmental Revenues
The Consortium's intergovernmental revenues consist of dues and revenues received per the Inter-local Agreement and federal grant funding.

Cash and Cash Equivalents
The Consortium's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments purchased within three months of maturity.

Prepaid Expenses
Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expense. Prepaid items are recognized as expenditures on the consumption method in the general fund.

Budgetary Requirement and Basis
Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Consortium's Board policy. The budgeted revenues and expenditures reflect all amendments approved by the Board. Budgetary control is required at the fund (or grant) level. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Estimates
The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH

Deposits at year-end were held by financial institutions designated as a "qualified public depository" by the State Treasurer. All deposits were fully insured through a combination of federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. At September 30, 2021, the reported amount of the deposits and the bank balance was $6,251.

3. DUE FROM OTHER GOVERNMENTS

The Consortium's receivable from other governments as of September 30, 2021, is $140,486, which is due from the Gulf Coast Ecosystem Restoration Council.

4. RELATED PARTIES AND CONTRACT COMMITMENTS

State of Florida
In 2013, the Consortium entered into a Memorandum of Understanding (MOU) with the Governor of the State of Florida to collaborate for the benefit of the Gulf of Mexico and the State of Florida with a focus on maximizing Florida's attainment of funds under the RESTORE Act to restore the Gulf Coast resources and energize the economic recovery in the region. The MOU requires coordination with the Governor's office on projects in the State Expenditure Plan for Florida, which will be certified, if appropriate, by the Governor to the Gulf Coast Ecosystem Restoration Council for approval (see Note 1 for information on the Restoration Council). As part of the MOU, the Governor shall appoint six individuals to provide input and guidance to the Consortium on policies and criteria used to determine projects, activities and programs for consideration in the State Expenditure Plan (the Plan). Additionally, the Consortium consults with the State on the development of the Plan and provides the Plan to the Governor for review prior to submission to the Restoration Council.

The Balmoral Group, LLC
In 2017, The Balmoral Group, LLC was contracted to serve as the Consortium's full-time manager. Services provided include administration of Consortium operations, as well as other administrative duties, including financial management, accounting services and the annual budget preparation. The compensation for these services is at a rate of $175 per hour not to exceed $100,000 per fiscal year. Non-grant related expenses under this contract for the year ended September 30, 2021 totaled $73,996. The contract also recognizes certain management services may be eligible for grant reimbursement which can also be billed to the grant at a rate of $175 per hour not to exceed $350,000 per fiscal year. Management expenses relating to grant-related activity for the year ended September 30, 2021, totaled $148,309. In January 2021, the contract was extended through April 30, 2023, with an automatic one year renewal.

Leon County, Florida Procurement Services
The Consortium has an inter-local agreement with Leon County, Florida to provide competitive procurement services as needed. The level of effort related to these services was not significant during the year ended September 30, 2021, and as such, no expenses or related in-kind revenue have been recorded.

Leon County, Florida Fiscal Management Services
The Consortium has an interlocal agreement with the Leon County Clerk of Circuit Court and Comptroller (Clerk) to provide distribution and paying agent services for payment of costs and expenses associated with developing and implementing the State Expenditure Plan. Effective March of 2019, the Clerk performs these responsibilities for three (3) basis points on each transaction processed. For the year ending September 30, 2021, $101 of fees have been charged.

5. CONCENTRATIONS

The Consortium's revenue is generated from two sources: membership dues and federal grant funds relating to the Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program. During the year ended September 30, 2021, 11% of the Consortium's revenue was generated from membership dues and 89% from federal grant awards. The Consortium is fiscally dependent upon the federal grant funding and membership revenue sources.

6. FUND BALANCE

The Consortium's fund balance is classified as follows:

Nonspendable Fund Balance – represents amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: prepaid items. There was a $15,865 nonspendable fund balance at September 30, 2021.

Unassigned Fund Balance – represents all spendable amounts available for general use of the Consortium. There was a $702 unassigned fund deficit at September 30, 2021. The deficit will be eliminated as the prepaid items are consumed.

7. CONTINGENCY

Amounts received or receivable from the grantor agency is subject to audit and adjustment by the grantor agency. If expenditures are disallowed as a result of these audits, the claim for reimbursement to the grantor agency would become a liability of the Consortium. In the opinion of management, any such adjustments would not be significant, and therefore do not have a material adverse effect on the financial position of the Consortium.

8. GRANT COMMITMENTS

As of September 30, 2021, the Consortium had outstanding Federal grant awards of $27,904,002 for approved projects by the RESTORE Council. The Federal grant funds are not available to the Consortium until expenses are incurred and therefore, are not recorded as receivables. The grant expenses are subject to audit to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material by management.

Grantee(s)	Federal Award Identification Number	Award Amount	Funds Expended to Date	Award Funds Remaining
Adaptive Planning	GNSSP21FL0020	$ 191,860	$ 73,887	$ 117,973
Manatee	GNSSP21FL0022	689,687	10,288	679,399
Pinellas	GNSSP21FL0023	2,085,262	8,955	2,076,307
Escambia	GNSSP21FL0025	1,121,773	9,977	1,111,796
Franklin	GNSSP21FL0029	5,047,063	16,935	5,030,128
Manatee	GNSSP21FL0030	4,538,586	11,265	4,527,321
Pasco	GNTSP19FL0086	117,905	10,769	107,136
Santa Rosa, Okaloosa, Citrus and Charlotte	GNTSP20FL0088	1,150,464	497,756	- 652,708
Wakulla	GNTSP20FL0089	81,004	20,605	60,399
Okaloosa	GNTSP20FL0090	1,066,139	121,114	945,025
Pinellas	GNTSP20FL0091	1,237,121	1,029,883	207,238
Sarasota	GNTSP20FL0092	1,107,192	2,003	1,105,189
Collier	GNTSP20FL0097	820,516	79,789	740,727
Bay	GNTSP20FL0098	545,139	106,348	438,791
Walton	GNTSP20FL0105	525,288	2,411	522,877
Jefferson	GNTSP20FL0106	1,236,271	16,863	1,219,408
Citrus	GNTSP20FL0107	695,024	3,349	691,675
Hernando	GNTSP20FL0110	453,807	15,693	438,114
Hillsborough (17-1)	GNSSP20FL0012	5,027,488	11,045	5,016,443
Levy (12-2)	GNSSP20FL0013	2,080,054	10,843	2,069,211
Gulf	GNSSP20FL0010	194,413	48,276	146,137
Totals		**$ 30,012,056**	**$ 2,108,054**	**$ 27,904,002**

COMPLIANCE SECTION

GULF CONSORTIUM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Contract Number	Expenditures	Pass-Through to Subrecipients
FEDERAL AWARDS				
Gulf Coast Ecosystem Restoration Council (RESTORE Council)				
Gulf Coast Ecosystem Restoration Council				
Oil Spill Impact Program	87.052	GNSSP20FL0010	$ 45,003	$ 38,691
Oil Spill Impact Program	87.052	GNSSP20FL0012	11,045	-
Oil Spill Impact Program	87.052	GNSSP20FL0013	10,843	-
Oil Spill Impact Program	87.052	GNSSP21FL0020	73,887	-
Oil Spill Impact Program	87.052	GNSSP21FL0022	10,288	-
Oil Spill Impact Program	87.052	GNSSP21FL0023	8,955	-
Oil Spill Impact Program	87.052	GNSSP21FL0025	9,977	-
Oil Spill Impact Program	87.052	GNSSP21FL0029	16,935	-
Oil Spill Impact Program	87.052	GNSSP21FL0030	11,265	-
Oil Spill Impact Program	87.052	GNTSP19FL0086	7,211	-
Oil Spill Impact Program	87.052	GNTSP20FL0088	318,908	306,352
Oil Spill Impact Program	87.052	GNTSP20FL0089	15,848	9,142
Oil Spill Impact Program	87.052	GNTSP20FL0090	117,107	112,427
Oil Spill Impact Program	87.052	GNTSP20FL0091	13,531	11,529
Oil Spill Impact Program	87.052	GNTSP20FL0097	74,039	63,247
Oil Spill Impact Program	87.052	GNTSP20FL0098	89,618	81,540
Oil Spill Impact Program	87.052	GNTSP20FL0106	10,967	2,610
Oil Spill Impact Program	87.052	GNTSP20FL0107	325	-
Oil Spill Impact Program	87.052	GNTSP20FL0110	12,430	7,682
			$ 858,182	$ 633,220

The accompanying notes are an integral part of this schedule.

GULF CONSORTIUM
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

A. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal award activity of Gulf Consortium (the Consortium) under programs of the federal government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Consortium, it is not intended to and does not present the net position or changes in net position of the Consortium.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

C. DE MINIMIS INDIRECT COST RATE ELECTION

The Consortium has elected to use the ten percent de minimis indirect cost rate, as allowed under Uniform Guidance.

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INDEPENDENT ACCOUNTANTS' REPORT ON AN EXAMINATION OF COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

To the Members of the Gulf Consortium

We have examined the Gulf Consortium's (the Consortium) compliance with Florida Statute 218.415, in regard to investments for the year ended September 30, 2021.

Management is responsible for the Consortium's compliance with those requirements. Our responsibility is to express an opinion on the Consortium's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Consortium complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Consortium complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Consortium's compliance with specified requirements.

In our opinion, the Consortium complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

Fort Walton Beach, Florida
June 10, 2022

INDEPENDENT AUDITORS' 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*

To the Members of the Gulf Consortium

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of governmental activities and general fund of the Gulf Consortium (the Consortium), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Consortium's basic financial statements and have issued our report thereon dated June 10, 2022.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Consortium's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Consortium's internal control. Accordingly, we do not express an opinion on the effectiveness of the Consortium's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Consortium's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Consortium's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Consortium's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fort Walton Beach, Florida
June 10, 2022

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR A FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Gulf Consortium

Report on Compliance for Oil Spill Impact Program
We have audited the compliance of Gulf Consortium (the Consortium) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Consortium's Oil Spill Impact Program (the Program) for the year ended September 30, 2021.

Management's Responsibility
Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal and state awards applicable to the Program.

Auditors' Responsibility
Our responsibility is to express an opinion on compliance for the Consortium's Program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Program occurred. An audit includes examining, on a test basis, evidence about the Consortium's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Consortium's Oil Spill Impact Program. However, our audit does not provide a legal determination of the Consortium's compliance with those requirements.

Opinion on Major Federal Program
In our opinion, the Consortium complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Oil Spill Impact Program for the year ended September 30, 2021.

Report on Internal Control over Compliance
Management of the Consortium is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the internal control over compliance with requirements that could have a direct and material effect on the Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for its Program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Consortium's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Fort Walton Beach, Florida
June 10, 2022

GULF CONSORTIUM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	____ Yes	X	No
• Significant deficiency(ies) identified that is/are not considered to be material weaknesses?	____ Yes	X	None Reported
Noncompliance material to financial statements noted?	____ Yes	X	No

Federal Awards

Internal control over federal program:

• Material weakness(es) identified?	____ Yes	X	No
• Significant deficiency(ies) identified that is/are not considered to be material weaknesses?	____ Yes	X	None Reported

Type of auditors' report issued on compliance for federal program: Unmodified

• Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	____ Yes	X	No

Identification of federal program:

Name of Federal Program or Cluster	**Assistance Listing Num.**
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052

Dollar threshold used to distinguish between type A and type B programs for federal awards? $750,000

Auditee qualified as low-risk auditee for federal awards?	X Yes	____	No

B. FINANCIAL STATEMENT FINDINGS

There were no findings, which were required to be reported in accordance with government auditing standards generally accepted in the United Statements of America.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings, which were required to be reported in accordance with the Uniform Guidance.

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GULF CONSORTIUM
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

There were no findings for the fiscal year ended September 30, 2020, which were required to be reported in accordance with government auditing standards generally accepted in the United Statements of America and in accordance with the Uniform Guidance.

MANAGEMENT LETTER

To the Members of the Gulf Consortium

Report on the Financial Statements
We have audited the financial statements of the Gulf Consortium (the Consortium), as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements and have issued our report thereon dated June 10, 2022.

Auditors' Responsibility
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, And the Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Florida Auditor General*.

Other Reporting Requirements
We have also issued our Independent Auditors' 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;* Independent Auditors' Report on Compliance of a Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidnace; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports and schedule, which are dated June 10, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The official title and legal authority for the Consortium has been disclosed in Note 1 to the financial statements. The Consortium has no component units.

Financial Condition and Management
Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General,* require that we apply appropriate procedures and report the results of our determination as to whether the Consortium has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, the results of our tests did not indicate that the Consortium met any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General,* we applied financial condition assessment procedures. It is management's responsibility to monitor the Consortium's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General,* requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Gulf Consortium reported:

a. No Consortium employees compensated in the last pay period of the district's fiscal year.

b. No independent contractors to whom nonemployee compensation was paid in the last month of the Consortium's fiscal year.

c. No compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency.

d. No compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.

e. No construction projects.

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes is reflected in the Consortium's basic financial statements.

Additional Matters
Section 10.554(1)(i)3., *Rules of the Auditor General,* requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, members of the Consortium, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We greatly appreciate the assistance and cooperation extended to us during our audit.

Fort Walton Beach, Florida
June 10, 2022

AGENDA ITEM 7

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 7
Gulf Consortium Policy Updates

Statement of Issue:
Presentation of revised Gulf Consortium Policy and Procedures Manuals, which have been reviewed by the Procedures Review Committee. The annual update is part of preparing the Organizational Self-Assessment update, which is due by policy by the June Board meeting each year. Committee selection occurred at the January 2022 Board meeting.

Background:
In November 2018, the Board approved Gulf Consortium Policies and Procedures (collectively, the "Procedures") covering procurement, communications, conduct, internal controls, accounting and finance, grants, and procedure review. The Procedures Review Policy provides for the annual review and update of all Consortium policies in an effort to ensure that the policies are being implemented as intended, having the desired effect, and are still relevant and current. In accordance with this requirement, in January 2022, the Board appointed members to the Procedures Review Committee to oversee the process of reviewing and revising the various Procedures, in coordination with the General Manager and General Counsel.

The Committee is comprised of five members:

- Yana Matiyuk (Pinellas)
- Michelle Metcalf (Wakulla)
- Jane Evans (Okaloosa)
- Keith Kolasa (Hernando)
- Lawanda Pemberton (Taylor)

The Gulf Consortium Policy Review Committee met by phone on two separate occasions to review changes to the Gulf Consortium polices. At each meeting, a subset of policies was reviewed and proposed revisions were discussed. Revisions generally fell into one of three categories:

1) Editorial revisions to address consistency or clarity of language
2) Revisions to more accurately reflect actual practice, as grant applications processing has evolved for efficiency and with additional guidance and recommendations from RESTORE Council
3) Revisions to address statutory matters, including updates to 2 CFR Part 200, and so forth.

A summary of several of the substantive changes to the various Procedures is provided below:

Accounting and Financial Management

- P. 10 AFM 6.4 - Deleted various clauses relating to Leon County fiscal agent processing that do not match practice
- P. 13 AFM 6.8.2,3 - Updated various terms (Check vs. ACH, Project Detail vs. Job Cost Ledger, etc.)
- P. 22 Appendix - Added updated Grant transaction entry recording

Communication and Public Records

- CPR-1.2.1: – subrecipient agreements not posted on the web
- CPR-3.2: – Use of Personal Social Media Sites – contact General Counsel about retention requirements for social media content
- CPR-4.5.1: – records retention: if there are conflicting records retention durations – always go with the longer requirement

Conduct

- C.3 – added clarifying sentence about employment or contractual relationships. Only a problem if they violate Florida ethics laws.

Grants Manual

- GM 3.3.1 - Updated language to reflect programmatic or bundling application approaches when multiple grants share common Council objectives.
- GM 5.0 – Updated language to include Mid-year check-ins with monitoring activity.
- GM 5.3 – Updated language to reflect project numbering scheme
- Appendix 4 – Updated Grant Close-out Checklist

Internal Controls

- IC-3. Re-ordered existing language to match diagram
- IC-8. Revised language from monitoring goals and objectives of grants to progress and performance.

Procedures Review

- PR-3. PROCESS: – specifying process starts around March of each year to review policies

Procurement

- Definitions: – sole source definition updated; single sole source definition added
- P-7.1 (approval thresholds): – language added to require the general manager to report to the Board any procurements made within manager's approval authority (this was happening already but wasn't required in written policy)
- P-7 "*At the discretion of the Board, any procurement less than or equal to $50,000 may be conducted pursuant to the competitive solicitation method (ITB, RFP, and RFQ)"
- P-7: After Table P-2. – sentence added to require a procurement report at the next Gulf Consortium Board meeting (typically done anyway): information only
- P-13. SOLE SOURCE/NON-COMPETITIVE PURCHASES: – describes the conditions and review required for sole source or single sole source purchases
- P-13.2 Non-Competitive Purchases with Federal Funds: – added the conditions from 2 CFR 200.320 that at least 1 needs to be met to allow for federal funds to be used for sole source or single sole source

Subrecipient

- Definitions: – Updated various definitions, removed “commodities”, other editorial revisions.
- S.10.1 – Revises language regarding milestone reports to align with award-required due dates.
- S. 10.3 – Adds language regarding Mid-Year Check-in requirements
- S.11 (f) – Adds language moving up review of procurement documents “… Subrecipient shall submit a copy of the complete solicitation package to the Consortium for review prior to advertising the solicitation. The Subrecipient shall also submit copies of all ranking/evaluation materials to the Consortium along with a copy of the final executed contract. All of the above-described documents and materials must be on file with the Consortium prior to the Subrecipient’s submission of any invoices for subcontracted work”.
- S. 17.1 – Removed language regarding budget revisions.
- S. 19.2 - Updated language requiring final reports.
- S. 20.1 – Clarified language regarding costs for SEP Amendments.

Options:

(1) Recommend Board acceptance of Procedures Review Committee recommendation for approval of Policy revisions, subject to additional minor revisions to address RESTORE Comments
(2) Other direction

Recommend: Approval of Committee’s recommendation

Attachments:

a) Redline policy manuals

Prepared by:

Valerie Seidel
The Balmoral Group
On: June 13, 2022
and
Evan Rosenthal
Nabors, Giblin & Nickerson, P.A.
Deputy General Counsel

Action Taken:

Motion to:_____, Made by:_____;

Seconded by:_____.

Approved____; Approved as amended_____; Defeated_____.

PROCUREMENT POLICY

of

The Gulf Consortium

June ~~2021~~2022

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DEFINITIONS

The following terms defined in this section shall have the meanings set forth below whenever they appear in the Gulf Consortium Policies, unless the context clearly requires otherwise:

1. "Addendum" is a written document used to expand or more fully explain the terms of a bid instrument (Invitation to Bid, Request for Proposals or Request for Qualifications). An addendum is not to be confused with a "contract amendment."

2. "Agreement/Contract" means all types of agreements, regardless of what they may be called, for the purchase or disposal of supplies, services, materials, equipment, or construction and which contain the terms and obligations of the business transaction.

3. "Award" means an award of RESTORE Act (Pot 3) grant funds from the RESTORE Council to the Gulf Consortium.

4. "Board" means the Board of Directors of the Gulf Consortium.

5. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

6. "Change Order" means a written order amending the scope of, or correcting errors, omissions, or discrepancies in a purchase order.

7. "Commodity" means a product that the Gulf Consortium may contract for or purchase for the use and benefit of the Gulf Consortium. A specific item, it is different from the rendering of time and effort by a provider.

8. "Competitive Sealed Bidding" (Invitation to Bid) means a written solicitation for sealed competitive bids used for the procurement of a commodity, group of commodities, or services valued more than the threshold for this category. The invitation for bids is used when the Gulf Consortium is capable of specifically defining the scope of work for which a contractual service is required or when the Gulf Consortium is capable of establishing precise specifications defining the actual commodity or group of commodities required.

9. "Consortium" or "Gulf Consortium" shall mean the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

10. “Contract amendment or modification” means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.

11. “Contractor/Consultant” means any person having a contract with the Consortium.

12. “Contractual Services Contract” is a contract for a contractor's time and effort rather than the furnishing of specific commodities. Satisfactory completion of the service and/or a specified period of time or date completes such contract.

13. “Contractual Services” means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but are not limited to, evaluations; consultations; maintenance; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports on the findings of consultants engaged thereunder; and other professional and technical services.

14. “Cooperative Procurement” is procurement conducted by, or on behalf of, more than one public procurement unit.

15. “Cost Analysis” is the evaluation of cost data for the purpose of arriving at costs actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.

16. “Data” means recorded information, regardless of form or characteristic.

17. “Designee” means a duly authorized representative of a person holding a superior position.

18. “Director” means a duly appointed member of the Gulf Consortium Board of Directors.

19. “Emergency Purchase” means a purchase necessitated by a sudden unexpected turn of events (e.g., including but not limited to acts of God, riots, fires, floods, hurricanes, accidents, terrorism, or any circumstances or cause beyond the control of the agency in the normal conduct of its business) where the delay incident to competitive bidding would be detrimental to the interest of the Consortium.

20. “Finance Manager” shall refer to the staff so designated by the entity contracted to

provide accounting and financial management services for the Consortium.

21. "Fiscal Agent" shall refer to the part designated and contractually retained to perform cash receipt and disbursement activities related to Treasury funds.

22. "General Counsel" shall refer to the person or persons retained to provide legal counsel to the Consortium.

23. "General Manager" shall refer to the staff so designated by the entity contracted to provide General Manager services for the Consortium.

24. "Gulf Consortium" or "Consortium" shall mean the governmental created by interlocal agreement of the 23 Member Counties pursuant to Section 163.01, Florida Statutes, to manager and administer the RESTORE Act Funds allocated to the State of Florida by the Gulf Ecosystem Restoration Council, consistent with the RESTORE Act.

25. "Gulf Ecosystem Restoration Council" or "Council" shall mean the Federal agency created pursuant to the RESTORE Act having oversight responsibility for 60% of the Gulf Coast Restoration Trust Fund, including the 30% comprising the RESTORE ACT (Pot 3) Funds.

26. "Intended Decision" means a written notice that states the contractor(s) to whom the Gulf Consortium intends to award a contract resulting from a solicitation and which establishes the period in which a notice of intent to protest may be timely filed. The Intended Decision shall be posted on the Gulf Consortium website.

27. "Invitation to Bid" (Competitive Sealed Bidding or ITB) means a written solicitation for sealed competitive bids used for the procurement of a commodity, group of commodities, or services valued more than the threshold for this category. The invitation to bids is used when the Consortium is capable of specifically defining the scope of work for which a contractual service is required or when the Consortium is capable of establishing precise specifications defining the actual commodity or group of commodities required.

28. "Manufacturer" means a person or firm engaged in the process of making, fabricating, constructing, forming, or assembling a product(s) from raw, unfinished, semi-finished, finished, or recycled materials through a direct contract/agreement on behalf of the general contractor.

29. “Member County” shall mean a county which is a member of the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

30. “Person” means any business, individual, committee, club, other organization, or group of individuals.

31. “Pre-Bid Conference” (or Pre-Proposal Conference) means a meeting held with prospective bidders prior to solicitation of or the date for receipt of bids or proposals, to recognize state of the art limits, technical aspects, specifications, or standards relative to the subject, and to elicit expertise and bidders' interest in submitting a bid or pursuing the task.

32. “Procurement” means buying, procuring, leasing, or otherwise acquiring any materials, supplies, services, or equipment. It also includes all functions that pertain to the obtaining of any material, supplies, services, construction, and equipment, including description of specifications and requirements, selection and solicitation of resources, preparation, and award of contract.

33. “Procurement Award” is an award of a contract for goods or services resulting from a solicitation through action by the Consortium in a public meeting.

34. “Procurement Manager” means an individual designated by the General Manager duly authorized to enter into and administer contracts and make written determinations with respect thereto under the terms of the Procurement policies of the Consortium.

35. “Procurement Quotes” is the procedure used to purchase commodities or contractual services wherein the Procurement Manager obtains written quotations from two or more vendors for purchases within the threshold amounts set for this category.

36. “Professional Services” shall include, but not be limited to, those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered land surveying, as defined by the State of Florida, or those performed by any architect, professional engineer, landscape architect, or registered land surveyor in connection with his professional employment or practice.

37. “Purchase Order” means that document used by the Consortium to request that a contract be entered into for a specified need, and may include, but not be limited to, the technical description of the requested item, delivery schedule, transportation, criteria for evaluation, payment terms, and other specifications.

38. "Request for a Quote" means a solicitation that calls for pricing information for purposes of competitively selecting and procuring commodities and contractual services from qualified or registered vendors.

39. "Request for Proposals" (RFP) means a written solicitation for sealed proposals with the title, date, and hour of public opening designated. The request for proposals may be used when the Consortium is unable to specifically define the scope of work for which the commodity, group of commodities, or contractual service is required, and when the Consortium is requesting that a qualified offeror propose a commodity, group of commodities, or contractual service to meet the specifications of the solicitation document.

40. "Request for Qualifications" (RFQ) means a written solicitation for sealed qualifications with the title, date, and hour of public opening designated. The request for qualifications is used where the specifications of required services are broad and specialized in nature. Evaluation of a response is based on prior established criteria which involves more than price.

41. "Responsible bidder or offeror" means a person who has the capability, in all respects, to fully perform the contract requirements, and the integrity and reliability, which will assure good faith performance.

42. "Responsive bidder" means a person who has submitted a bid or proposal, which conforms in all material respects to the competitive solicitation.

43. "RESTORE Act" means Public Law 112-141 (July 6, 2012), codified at 33 U.S.C. 1321(t), as may be subsequently amended, and all implementing regulations.

44. "RESTORE ACT (Pot 3) Funds" refers to the 30% of the Gulf Coast Restoration Trust Fund, established by the RESTORE Act, to fund economic and environmental recovery of the Gulf Coast region impacted by the Deepwater Horizon Oil Spoil. Pot 3 funds are managed separately by each of the Gulf Coast states. The Gulf Consortium is Florida's designated agency to administer Pot 3 funds.

45. "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than those which is not defined as supplies and which are merely incidental to the required performance.

46. "Simplified Acquisition Threshold" means the dollar amount, as established by

Federal regulation, below which a non-federal entity may purchase property or services using small purchase methods that do not involve the use of sealed competitive solicitations.

47. "Sole Source Purchase" means A commodity that can be legally procured from only one source. This is usually due to the source owning patents and/or copyrights. A requirement for a particular proprietary item does not justify a sole source procurement if there is more than one potential supplier for that item. Use of brand names and model numbers does not constitute a sole source.~~the purchase of a commodity, service, equipment, or construction item from one available practical source of supply. It can only be used when one or more of these circumstances apply: item is available from only one source, there is a public exigency or emergency, non-Federal entity has prior approval to use this method, and/or after solicitation of a number of sources, competition is determined inadequate.~~

~~47.~~48. "Single Source Purchase" means a commodity can be purchased from multiple sources, but, in order to meet certain functional or performance requirements (repair parts, matching existing equipment or materials) there is only one economically feasible source for the purchase.

~~48.~~49. "Specification" means any description of the physical or functional characteristics of the nature of a material, supply, service, construction, or equipment item. It may include a description of any requirement for inspection, testing, recycled, or degradable materials content, or preparing a material, supply, service, construction, or equipment item for delivery.

~~49.~~50. "Subaward" means the subaward of RESTORE Act Funds received by the Consortium pursuant to an Award to a Member County, or the subaward of RESTORE Act Funds by a Member County to another entity where permitted.

~~50.~~51. "Subrecipient" means a Member County that receives a Subaward of RESTORE Act Funds from the Consortium for the performance of a project, or any portion thereof, described in the Florida State Expenditure Plan.

~~51.~~52. "Subrecipient Agreement" means an agreement entered into between the Consortium and a Member County governing the Subaward of RESTORE Act Funds received by the Consortium pursuant to such Member County.

~~52.~~53. "Supplier" means a person or firm who engages in the selling of materials and supplies to contractors, subcontractors, and/or manufacturers for the purpose of constructing, repairing, altering, remodeling, adding to or subtracting from or

improving any building, structure, or property through a direct contract/agreement on behalf of the general contractor.

~~53.~~54. "Tie (Identical) Bid" is when two or more bids are equal with respect to price and it appears that the quality and service offered by the vendors are otherwise comparable.

PART A: PROCUREMENT PROCEDURE

P-1. PURPOSE

This policy is adopted to promote the following purposes:

a. To clarify, organize, and unify the procurement practices used by the Consortium.
b. To align procurement standards with RESTORE Council's standards and requirements, including 2 CFR Part 200.
c. To assure adherence to all applicable procurement laws, regulations and procedures.
d. To promote public confidence in the procurement procedures followed by the Consortium.
e. To ensure the fair and equitable treatment of all persons who deal with the procurement system of the Consortium.
f. To maximize economy in Consortium procurement activities and to maximize to the fullest extent practicable the purchasing value of Consortium funds.
g. To provide safeguards for the maintenance of a procurement system of quality and integrity for the Consortium.

P-2. APPLICATION OF POLICY

P-2.1 Contracts

This policy shall apply to contracts/agreements solicited or entered into after the effective date of this policy or subsequent amendments or revisions, unless the parties agree to its application to a contract solicited or entered into prior to the effective date.

P-2.2 Activities

This policy shall apply to the purchase/procurement of all materials, supplies, services, and equipment except as herein specifically exempted.

P- 2.3 Waiver

The Consortium Board shall have the authority to waive the policies and procedures contained herein when deemed to be in the best interest of the Consortium, provided it does not result in a violation of State or Federal laws or regulations.

P-3. AUTHORITY OF PROCUREMENT MANAGER

The Procurement Manager shall be designated by the General Manager. Except as otherwise specifically provided in this policy, the Procurement Manager shall:

a. Purchase or supervise the purchase of all supplies, services, materials, equipment, and construction services defined within the scope of this policy
b. Upon the prior approval of the General Manager, the Procurement Manager may delegate authority to designee(s).

P-4. SPECIFICATIONS

Technical specifications are designed to ensure that the quality and service will fulfill the

requirements for which the equipment, materials, commodities or services are intended. It is the policy of the Consortium that specifications permit maximum practicable competition consistent with this purpose. Specifications should be drafted with the objective of clearly describing the Consortium's requirements. Specifications take many forms, some of which are more complex than others. The Procurement Manager may maintain a library of current specifications through the National Institute of Governmental Purchasing (NIGP) for equipment, commodities, materials and services.

The Procurement Manager may make modifications or alterations to specifications to accommodate competitive bidding.

P-4.1 General

The purpose of a specification is to serve as a basis for obtaining a supply or service adequate and suitable for the Consortium's needs. The drafting of specifications should be done in a cost effective manner, taking into account the total cost of ownership and operation, as well as the initial acquisition cost.

P-4.2 Design/Performance Specification

Specifications should, to the extent practicable, emphasize functional or performance criteria while limiting design or other physical descriptions to those necessary to meet the needs of the Consortium.

P-4.3 Detail of Specifications

Bids and quotations should be based on concise specifications. Specifications should be detailed, providing a basis for open and equitable competitive bidding, based upon a common standard. Specifications should clearly describe the product to be purchased and must be free from restrictions that limit competition.

P-4.4 Selection Criteria

The specifications should relate directly to the selection criteria. A proposed selection criteria form with relative weights will be incorporated in the solicitation package.

P-4.5 Revision of Specifications Due to Budget Constraints

Should it be determined, after bids have been opened, that bids received exceed the budgeted amount and additional funds are not available, bids may be rejected. The scope of the specifications may be revised in an effort to conform to the established budget.

P-4.6 Alternate Specifications

Alternate specifications involving two or more designs, functional or performance criteria may be proposed by a bidder if the specifications satisfactorily meet the Consortium's requirements and alternate specifications are expressly permitted in the bid document.

P-4.7 Reference-Bidders Qualification and Experience

Bidders may be required to furnish evidence of qualifications and past experience in

the type of work as outlined in the specifications, to include specific experience for a particular services or project.

To expedite validation of bidder credentials for architect or engineering services only, the Procurement Manager may choose to rely on proof of prequalification from other State agencies, including FDOT and FDEP. In the event the scope is relevant to an existing prequalification category, proof of current prequalification status may be required as an essential requirement for bidding.

P-4.8 Familiarity with Laws

The bidder is expected to be familiar and in compliance with all applicable Federal, State, and Local laws, ordinances, codes, rules and regulations that in any manner affect the work or services to be performed or the goods to be provided. Ignorance on the part of the bidder in no way relieves the bidder from the responsibility of compliance with all applicable laws, ordinances, codes, rules and regulations.

Bidders must possess any and all licenses necessary to perform.

Bidders are responsible for obtaining permits necessary to complete work, at their own expense, prior to starting any work provided by a Consortium purchase order or contract.

P-5. SOLICITATION PROHIBITIONS

To ensure compliance with federal procurement rules, specifications and solicitation requirements may not contain features that unduly restrict competition including, but not limited to:

a. Imposing unreasonable business requirements/qualifications for bidders or offerors.

b. Imposing unnecessary experience requirements for bidders and offerors.

c. Using prequalification procedures (except in the case of qualifications-based procurement for services under section 287.055, F.S., known as the Consultants' Competitive Negotiations Act).

d. Making a noncompetitive award to any person or firm on a retainer contract with the recipient if the award is not for the property or services specified for delivery under the retainer contract.

e. Excessive Bonding shall not be permitted.

f. Specifying only a "brand name" product without allowing offers of "an equal" product, or allowing "an equal" product, or allowing "an equal" product without listing the salient characteristics that the "equal" product must meet to be acceptable for award.

g. Specifying in-State or local geographical preferences or evaluating bids or proposals in light of in-State or local geographical preferences, even if those preferences are

imposed by State or local laws or regulations.

h. Supporting or acquiescing in noncompetitive pricing practices between firms or between affiliated companies including acceptance of submission of identical bid prices for the same products by the same group of firms, or an unnatural pattern of awards that had the cumulative effect of apportioning work among a fixed group of bidders or offerors.

P-6. METHODS OF SOURCE SELECTION

The Consortium policies and procedures address the following methods of source selection:

a. Small Purchases (including micro purchases and procurement quotes)
b. Competitive Solicitations (ITB, RFQ and RFP)
c. Emergency Purchases
d. Sole Source/Non-Competitive Purchases

P-7. APPROVAL THRESHOLDS

For multi-year contracts, when the annual amount is not specified, signature authority is based on the average yearly expenditure over the contract term. This applies for all approval thresholds. Table P-1 provides the Procurement Process thresholds. Table P-2 provides the Signature Authority thresholds.

Table P- 1 Procurement Process Thresholds	
Procurement Method	**Threshold**
Micro Purchase Procedures	Up to $10,000
Procurement Quotes	$10,000.01 to $50,000
Competitive Solicitation – ITB, RFP and RFQ	$50,000.01 and above
*At the discretion of the Board, any procurement less than or equal to $50,000 may be conducted pursuant to the competitive solicitation method (ITB, RFP, and RFQ)	

Table P-2 Contract Award and Signature Authority Thresholds	
Individual	**Threshold[1]**
Procurement Manager	*Procurement Agreements up to $25,000
General Manager	*Procurement Agreements greater than $25,000 and no greater than $50,000
Gulf Consortium Board of Directors	*Procurement Agreements greater than $50,000
[1] Term contracts will be awarded based upon the value of the initial term of the contract. *All contracts will be in a form approved by the Consortium General Counsel prior to execution.	

P-7.1 For all procurements within the approval thresholds of the Procurement Manager or General Manager, the General Manager shall provide a report to the Board at the next available Board meeting date of all purchases and contracts approved by the Procurement Manager/General Manager within such approval thresholds. Such report shall be for informational purposes only and the Board shall not be required to ratify or otherwise approve such purchases or contracts.

P-7.~~1~~ 2 Purchases utilizing Federal funds must conform to applicable Federal law, including: 2 CFR Part 1201 incorporating 2 CFR 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" and comply with all requirements of FTA Circular C 4220.1F, as amended from time to time. Contracts utilizing Federal funds shall include all required Federal contract clauses.

P-7.3~~2~~ To ensure compliance with Federal procurement rules, the Procurement Manager shall ensure that adequate competition exists by confirming that two or more responsible bidders are willing and able to compete effectively for the business.

P-7.4~~3~~ A Cost Analysis shall be completed by the General Manager or designee. The Consortium shall rely on 2 CFR 200 Subpart E – Cost Principles for allowable costs. General criteria for costs to be considered allowable are:

a) Necessary and reasonable for performance and allocable.

b) Conforms to limitations or exclusions to types or amount of cost items.

c) Consistent with policies and procedures.

d) Treated consistently as an indirect or direct cost.

e) Not included as a cost or used to meet cost sharing or matching requirements of any other federally financed program (see 2 CFR 200.306).

f) Adequately documented (see 2 CFR 200.300 and 2 CFR 200.309).

P-7.~~4~~ 5 An Independent Cost Estimate is required prior to receiving bids or proposals for all purchases over the Simplified Acquisition Threshold (currently $250,000) and can be obtained by:

a. Design/engineering firm or member county technical staff for construction work;

b. Published price lists or past pricing with inflation factors;

c. Independent third-party staff member not impacted by the final procurement; or

~~c.~~d. Other appropriate procedures specific to the facts, type, and complexity of the procurement.~~.~~

P-7.~~5~~ 6 Advertisement shall be via website and online services not later than the fourteenth day before the day set for receipt of bids, proposals or qualifications. Unless an earlier timeframe is approved by the Consortium due to an emergency or extenuating circumstance.

P-8. MICRO PURCHASE

The purchase of commodities, equipment, and services, which cost less than $10,000 does not require solicitation of quotes or bids. Micro purchases shall be authorized by the Procurement Manager or designees and documented as to their conformance with an approved Budget category.

Micro-purchases may be made without obtaining competitive quotations so long as the Procurement Manager determines that the price is reasonable, and that purchases made under the micro-purchase threshold shall be distributed equitably among qualified suppliers, in accordance with 41 U.S.C. Section 1902.

P-9. PROCUREMENT QUOTES

For purchases exceeding $10,000, but not more than $50,000, the Procurement Manager or designee shall obtain multiple competitive quotations whenever possible. The Procurement Manager may solicit written quotations from the open market and shall use available current vendors and suppliers price lists whenever possible. The Procurement Manager or designee shall prepare a written quotation solicitation form that clearly documents the commodities, equipment or services requested and when needed, contact information, due date for quotation, vendor requirements and other relevant transactional terms. The requested commodities, equipment or services must be adequately described on a consistent basis to assure a like-to-like comparison among vendors. In those instances where the securing of two (2) quotations is not practicable, the Procurement Manager shall provide written justification of such.

Vendors submitting written quotes must have the required expertise and capability to perform the work or supply the commodities or equipment. Quotes must be on company letterhead, which shall be signed and dated by an authorized representative of the vendor. The lowest cost, responsible and responsive vendor who is capable of performing the services or supplying the commodities or equipment shall be awarded the contract.

P-10. COMPETITIVE BIDS (ITB)

P-10.1 Conditions for Use

An ITB shall be utilized when the Procurement Manager is capable of establishing precise specifications for a commodity or defining, with specificity, a scope of services for the commodities or services sought and when the estimated cost of these commodities, equipment or services exceeds $50,000. Vendors compete on a cost basis for like items or services. The selection shall be based upon the lowest priced,

responsive, and responsible bidder.

P-10.1.1 The Procurement Manager shall maintain a posting on the Consortium's website, accessible to the public where all advertisements for bids and/or bid tabulations may be posted. The notice shall include a general description of the goods and services to be procured, the location where specifications may be obtained, closing date, and the time and place for receipt of and the opening of the competitive bidding.

P-10.1.2 Exceptions to competitive award methods include:

a. Other Governmental Agency Contracts - The Procurement Manager may procure commodities, materials, equipment and services from the State of Florida, Federal Government (GSA) and other governmental entity contracts when deemed to be in the best interest of the Consortium and in compliance with federal procurement requirements (See Section 14).

b. Emergency Purchases (See Section 12)

c. Non-competitive Purchase/Sole Source Purchase - (See Section 13)

P-10.2 Procedures

P-10.2.1 All bids shall be submitted no later than the date and time designated in the notice. The envelope containing the competitive bids shall be sealed. The Procurement Manager or designee shall date and time stamp each response as it is received and file the bids unopened in a secure file until the time designated for the opening. Bids received after the deadline shall be returned unopened to the sender.

P-10.2.3 All Competitive Sealed Bids shall be opened in public at the time, date and place stated in the notice and shall be recorded. Bids will not be accepted after the time set for the bid opening. The official clock for recording time is the clock located in the Procurement Manager's office. The purpose of the bid opening is to record the bids received. Bids are not analyzed for quality or substance at the bid opening.

P-10.3 Substitution

Each Bidder/Offeror represents that the bid is based upon requirements described in the ITB and that such commodities, equipment, materials and services fully meets the requirements of the ITB.

Whenever, any material, item, product, system or process is specified by trade name or name of manufacturer or vendor to establish class or standard required, any other material, item, product, system or process, considered equal by the procurement officer may be accepted, unless otherwise stated in the ITB.

In each such instance, the material, item, product, system or process specified by trade name or name of manufacturer or vendor shall be considered as a standard basis for bidding and to ensure a uniform comparison of bids, the bidder shall base the bid

on the particular material, item, product, system or process identified.

Should a bidder decide to substitute a material, item, product system or process other than that named in the specifications, the bidder shall attach to the bid at the time of submission or prior to submission, a separate sheet upon which shall be listed the pre-approved materials, items, products, systems or processes which the bidder desires to substitute.

P-10.3.1 No substitution will be considered unless written request has been submitted to the Procurement Manager for approval within the time specified. Each request shall include a complete description of the proposed substitute, the name of the material or equipment, etc. for which it is to be substituted, drawings, samples, performance and test data, references and other data or information necessary for complete evaluation. A written approval must be issued by the Procurement Manager or designee in order for the substitution to be fully accepted

P-10.3.2 The Procurement Manager and Consortium representative will review the bids and recommend to the Consortium Board the vendor(s) to receive the award on the basis of being the lowest responsive and responsible bidder.

P-10.3.3 After a bid has been opened, a bidder is not permitted to unilaterally withdraw or alter their bid, or deposit.

P-10.4 Correction or Withdrawal of Bids; Cancellation of Awards

Correction or withdrawal of inadvertently erroneous bids, before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted where appropriate under the sole discretion of the Consortium. Mistakes discovered before bid opening may be modified or withdrawn upon written notice received in the office designated in the ITB prior to the time set for bid opening. After bid opening, corrections in bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence that a mistake of a non-judgmental character was made, the nature of the mistake, and the bid price actually intended. After bid opening, no changes in bid price or other provisions of bids prejudicial to the interest of the Consortium or fair competition shall be permitted. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:

a. the mistake is clearly evident on the face of the bid document but the intended correct bid is not similarly evident; or

b. the bidder submits evidence that clearly and convincingly demonstrates that a mistake was made. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Procurement Manager and concurred with by the General Manager.

P-10.5 Notification of Award

After approval of the award, the Procurement Manager or designee will notify the successful bidder. The normal means of notification is by Internet Website; however, the Procurement Manager will notify the successful bidder of the award by the most expedient and practical means available.

P-11. COMPETITIVE SOLICITATION: REQUESTS FOR QUALIFICATIONS (RFQ) AND REQUESTS FOR PROPOSALS (RFP) (COLLECTIVELY THE "PROPOSALS")

P-11.1 Request for Proposals

RFPs are used when the scope of work, specifications, or contractual terms and conditions cannot be well defined. Evaluation of a response is based on prior established criteria which involves more than price. An RFP includes, but is not limited to, applicable laws and rules, functional or general specifications, statement of work, proposal instructions, and evaluation criteria. Under RFPs, the quality of competing products or services may be compared and judged according to evaluation criteria and trade-offs can be made between the price and quality of the products or service offered.

P-11.2 Request for Qualifications

A request for qualifications ("RFQ") is used where the specifications of required professional services are broad and specialized in nature. Evaluation of a response is based on prior established criteria which involves more than price. The purpose of obtaining professional services is to offer to the Consortium special expertise, practical experience, knowledge, resources and an objective outside professional opinion. An RFQ must be utilized in CCNA procurements, but may be used in other instances when deemed appropriate by the Procurement Manager.

P-11.2.1 The provisions and exemptions contained in section 287.055, Florida Statutes (commonly known as the Consultants' Competitive Negotiation Act, "CCNA"), shall apply herein for the procurement of all professional architecture, engineering, landscape architecture, or registered surveying and mapping services for projects that exceed certain statutory dollar thresholds.

P-11.2.2 Where it is in the best interest of the Consortium, the Consortium may choose to use the FDOT Prequalified Consultants Directory to validate that consultants have the prerequisite credentials in place to perform required services.

P-11.3 Procedures

The Procurement Manager shall schedule key events and dates for the RFP and RFQ review and issuance, public notice, the pre-proposal conference (if required), the proposal opening, evaluation, Board approval, and the preparation of the contract.

P-11.3.1 The Procurement Manager, in coordination with General Counsel, shall review the requirements and prepare the RFP/RFQ package, draft contract, and notice for posting.

P-11.3.2 The Procurement Manager shall advertise and post the RFP/RFQ, and any addendums thereto, on the Consortium website. The notice shall include a general description of the goods and services to be procured, the location where

the RFP/RFQ may be obtained, closing date, and the time and place for receipt of and the opening of the competitive solicitation.

P-11.3.3 A pre-proposal conference with vendors may be beneficial, depending on the complexity of the specifications or scope of work to be performed. When pre-proposal conferences are held, the Procurement Manager shall prepare a summary of the meeting. If material changes are made to the RFP/RFQ, the Procurement Manager must prepare an addendum and post it on the Consortium's website.

a. The pre-bid/proposal conference is a meeting of potential bidders/offerors, the Procurement Manager and, as appropriate, other representatives of the Consortium or member counties.

b. The ITB/RFP/RFQ shall stipulate the time, date, and location of the pre-bid/proposal conference, which should be as soon as possible after issuance and will indicate whether attendance is mandatory or non-mandatory.

c. During the pre-bid/proposal conference, specifications are thoroughly reviewed and discussed with all parties in attendance. Subsequent to the conference, changes to the specifications will be reflected in an addendum prior to bid/proposal submittal. No changes to specifications may be made unless the addendum clearly identifying such changes is posted on the Consortium's website.

d. Areas of concern regarding specifications, conditions, or alternatives must be addressed as soon as possible after the completion of the conference by the Procurement Manager.

e. A mandatory pre-bid/proposal conference may be required at the discretion of the Consortium when deemed to be in the Consortium's best interest to do so. Mandatory conferences are held to ensure that potential bidders understand the complexity of the project or scope of work. The requirement for a mandatory conference shall be included in the public announcement/bid document.

f. All interpretations or corrections shall be issued as addenda. If the location, date, or time of the bid opening changes, written notice of the change shall be given in the form of an addendum, as soon as practicable after the change is made and posted on the Consortium website and FAR system, if applicable.

g. Occasionally after bids/proposals are solicited, but prior to bid opening or submittal time, changes to the specifications, delivery schedules, quantities, etc. may be needed. Ambiguous provisions may need to be clarified, or errors and oversights corrected. All addenda must be signed by the Procurement

Manager or designee, processed on Gulf Consortium Letterhead and reference the Bid/RFP title and number.

h. The Procurement Manager shall process the proposed addenda promptly upon receipt. Prior to issuing of an addendum, the Procurement Manager and the General Manager must consider the period of time remaining until bid opening. If additional time is likely to be required by a bidder(s), the addendum should extend the opening date for a reasonable period of time to obtain the greatest level of competition and fairness.

i. Bidders must acknowledge receipt of addenda in their bid submittal at the designated time, date, and location. Bids may be rejected due to failure of vendors to acknowledge receipt of addenda. The Procurement Manager, however, has discretion to consider addenda not material to a bid process and may consider a bid responsive without addenda acknowledgement.

j. All proposals shall be submitted no later than the date and time designated in the notice and the RFP/RFQ. The Procurement Manager or designee shall date and time stamp each proposal as it is received and file the proposals unopened in a secure file until the time designated for the opening. Proposals received after the deadline shall be returned unopened to the sender.

k. RFPs/RFQs shall be opened publicly, in the presence of two or more witnesses, at the time, date, and place designated in the RFP/RFQ. The name of each offeror shall be read aloud; pricing is not announced at an opening for a competitive proposal. The official clock for recording time is the clock located in the Procurement Manager's office. The purpose of the proposal opening is to record the proposals received. Proposals are not analyzed for quality or substance at the proposal opening.

l. The Procurement Manager shall evaluate the competitive proposals for responsiveness and completeness. All responsive proposals shall be provided to the Selection Committee for review, along with the Selection Criteria form.

P-11.4 Selection

All responsive proposals shall be ranked by a selection committee appointed by the Board. The selection criteria form is to be completed by each Selection Committee member, signed and dated.

P-11.4.1 The Procurement Manager shall compile the Selection Criteria Forms, assemble cumulative scores and determine the top-ranked proposer. The recommendation for award shall be reviewed by the General Manager and submitted for approval and award by the Consortium Board.

P-11.4.2 General Counsel shall negotiate the terms and conditions of the resulting

contract with the top-ranked proposer. If negotiations with the top-ranked proposer are unsuccessful, negotiations shall begin with the second-ranked proposer. If negotiations with the second-ranked proposer are unsuccessful, the Consortium shall decide whether to continue negotiations with the other proposers or to resolicit the procurement.

P-12. EMERGENCY PURCHASES

P-12.1 Definition of Emergency

A purchase necessitated by a sudden unexpected turn of events (e.g., including but not limited to acts of God, riots, fires, floods, hurricanes, accidents, terrorism, or any circumstances or cause beyond the control of the agency in the normal conduct of its business) where the delay incident to competitive bidding would be detrimental to the interest of the Consortium.

P-12.1.1 To meet an emergency condition, which requires immediate purchase of equipment, commodities or services, the General Manager shall be empowered to authorize the Procurement Manager to secure by open market procedures, equipment, commodities or services regardless of the amount of the expenditure(s).

P-12.1.2 The Procurement Manager shall have the authority to either reduce the number of days required for competitive sealed bids/proposals, or the Executive Committee may eliminate the requirement for competition altogether based on the emergency situation.

P-12.1.3 Following each emergency purchase made under the provisions of this section, a report shall be prepared by the Procurement Manager, with complete documentation, clearly stating the justification for an exception from the normal purchasing procedures and submitted to the appropriate approval authority within a 72-hour period after the occurrence. The purchase amount will determine the final approval authority and/or ratification thereof. The Procurement Manager will prepare the essential paperwork for obtaining appropriate approval authority (e.g., Board, General Manager).

P-12.1.4 A written explanation of the circumstances of an emergency purchase in an amount in excess of $5,000 shall be confirmed by the Board, which will then be recorded in the minutes of the Board and be open for public inspection.

P-12.1.5 Approval for Emergency Purchases more than $5,000 but under $50,000 will be approved in accordance to the established authorized thresholds (See Section 7).

~~P-13. SOLE SOURCE/NON-COMPETITIVE PURCHASES~~

~~Sole Source, Single Source, and Non-Competitive purchases may only be used as a procurement method for purchases of services, products, equipment, or construction items as specifically authorized herein. Further, when purchasing products or services with Federal funds, the Consortium may only use such non-competitive methods of procurement as are~~

~~specifically authorized by 2 C.F.R. Part 200, which are described in Subsection P-13.1-2 below.~~

~~Sole Source and Single Source purchases (except for proprietary software purchases, in most cases) above $50,000 must be publicly advertised in accordance with Section P-7 hereof.~~

~~When authorized, Sole Source, Single Source, and/Non-Competitive purchases may be made within the authorized procurement limits identified in section P-7 hereof. When a purchase exceeds the threshold amount for Procurement Manager or General Manager approval, the item will be placed on the agenda for Board approval and certification that the vendor has been determined to be a Sole Source, Single Source, or that circumstances justifying a Non-Competitive purchase exist.~~

~~P-13.1 Sole Source and Single Source Purchases~~

~~The purchase of a commodity, service, equipment, or construction item from only one source, which may be used only when one or more of the following circumstances apply:~~

- ~~Sole Source Purchases. A contract may be awarded, except as otherwise provided for under state or federal law, for a supply, service, material, equipment or construction item(s) without competition when the General Manager, with the concurrence of the General Counsel, certifies in writing, after conducting a good faith review of available sources, that there is only one available source for the required material, supply, service, equipment, or construction item(s). Such awards will be made within the authorized procurement limits identified in Section P-7. After initial sole source certification, additional purchases for a sole source vendor may be made for not more than one year or until such time as contrary evidence is presented regarding sole source eligibility, whichever period is less.~~

- ~~Single Source Purchases. A contract may be awarded, except as otherwise provided for under state or federal law, for a supply, service, material, equipment or construction item(s) without competition when the General Manager, with the concurrence of the General Counsel, certifies in writing, after conducting a good faith review of available sources, that in order to meet certain functional or performance requirements (e.g. repair parts, matching existing equipment or materials), there is only one economically feasible source for the purchase. Such awards will be made within the authorized procurement limits identified in Section P-7. After initial single source certification, additional purchases for a sole source vendor may be made for not more than one year or until such time as contrary evidence is presented regarding single source eligibility, whichever period is less.~~

~~a. The item is available only from a single source;~~

b. A public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

c. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

d. After solicitation of a number of sources, competition is determined inadequate.

P-13.2 Non-Competitive Purchases With Federal Funds

A Non-Competitive purchase may be used when it is advantageous to the Consortium to declare a purchase non-competitive because it will result in verifiable financial savings to the Consortium, or utilizing a competitive process will be detrimental to timely securing the goods or services. More than one potential supplier may exist for a good or service. The Procurement Manager shall document the advantages of declaring the purchase non-competitive. Taking this into consideration, therefore, only one reasonable and practicable source exists to supply a particular good or service. Such advantages may include but not be limited to: uniqueness, vendor qualifications, timeliness of purchase, etc.

In accordance with 2 CFR 200.3203_60(c)f)(3), procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when the Federal awarding agency or pass through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity.noncompetitive procurement with federal funds may only be used if one or more of the following circumstances apply:

- The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (see paragraph (a)(1) of this section);

- The item is available only from a single source or sole source;

- The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;

- The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or

a. After solicitation of a number of sources, competition is determined inadequate.

P-13.3 Negotiation with Sole Source, Single Source, and /Non-Competitive Providers

The Procurement Manager may negotiate with a sole source/non-competitive provider under the following circumstances/examples:

a. The needed product or service is available from only one known source, and

~~such determination has been made by the Procurement Manager. (Sole Source Purchase).~~

~~b. Additional products or services are needed to complete an ongoing task. (Non-Competitive Purchase).~~

~~c. A product or service is purchased from, or a sale is made to, another unit of government.~~

~~d. The product is a component or replacement part for which there is no commercially available substitute and when can be purchased only from the manufacturer, sole distributor or provider. (Sole Single Source Purchase).~~

~~e. The needed product or service may be available from more than one source. However, due to documented advantages such as uniqueness, vendor qualifications, timeliness, etc., a non-competitive purchase may be initiated when such determination has been justified that there is only one practicable and reasonable source, with confirmation by the Procurement Manager. (Non-Competitive Purchase).~~

~~f. Funds have become readily available through a grant process and must be spent in a time frame that does not permit competitive bidding. (Non-Competitive Purchase).~~

~~P-13.3 Indemnification Statement~~

~~It is Consortium standard practice to require vendors and contractors to indemnify the Consortium. The General Manager or designee will only make deviations from this policy upon approval by the Board and upon determination that it is in the best interest of Consortium.~~

~~P-13.4 Insurance Requirements/Recommendations~~

~~Prior to commencing work the contractor shall procure and maintain, at the contractor's own expense, for the duration of the contract and any extensions, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work or services hereunder by the Contractor, contractor's agents, representative, employees or subcontractors and any other insurance coverage required by the ITB, RFP or RFQ.~~

~~All insurance shall be obtained from an agency of an insurance company, which agency shall have an established place of business in the State of Florida and be duly licensed to conduct business therein.~~

~~P-13.5 Selection Criteria and Reference Checks~~

~~A Selection Criteria Form and Reference Check form shall be completed prior to the recommendation for award in order to consider whether the bidder meets the standards of qualification. Factors to be considered shall include whether the bidder~~

~~has the following:~~

~~a. The appropriate financial, material, equipment, facility, and personnel resources and expertise available or the ability to obtain them, necessary to indicate its capability to meet all contractual requirements;~~

~~b. A satisfactory record of performance;~~

~~c. A satisfactory record of integrity;~~

~~d. Ability to get bonding and insurance;~~

~~e. The legal ability to contract with the Consortium;~~

~~f. Supplied all necessary information in connection with the inquiry concerning responsibility including, but not limited to licenses, permits, or organization papers required.~~

~~g. Satisfactory status with the Consortium.~~

~~h. No conflict of interest. An organizational conflict of interest exists, when any of the following occur:~~

~~1. Because of other activities, relationships, or contracts, a contractor is unable, or potentially unable, to render impartial assistance or advice;~~

~~2. A contractor's objectivity in performing the contract work is or might be otherwise impaired; or~~

~~3. The contractor has an unfair competitive advantage.~~

~~i. See Sample Reference Check form attached.~~

~~P-13.6 Award~~

~~The contract shall be awarded with reasonable promptness to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the Invitation to Bid. For Request for Proposals, the contract shall be awarded to the top-ranked, most responsive and responsible proposer with whom a mutually-agreeable contract is negotiated. The Consortium reserves the right to waive any informality in bids and proposals and to make an award in whole or in part when either or both conditions are in the best interest of the Consortium. The contract shall be awarded by purchase order or written agreement.~~

~~P-13.7 Notice of Intended Decision~~

~~The Intended Decision shall be posted on the Consortium website. This written notice shall state the firm or firms to whom the Consortium intends to award the contract resulting from the solicitation and establishes the 72 consecutive hour period in which a notice of intent to protest may be timely filed.~~

~~P-13.8 Contract Administration Compliance with Federal Contract Provisions~~

~~P-13.8.1 Contract Administration. All contracts shall include provisions adequate to form a sound and complete agreement which shall comply with Federal laws and regulations and include all required Federal contract provisions to ensure compliance with those laws and regulations.~~

~~P-13.8.2 The Contract Administration procedures shall be followed for all federally funded contracts.~~

~~P-13.8.3 The Procurement File shall contain proper contract administration including, but not limited to:~~

~~a. Evidence of Board approval and funding commitment;~~

~~b. Evidence of advertisement and tabulation of bids;~~

~~c. The executed contract and notice of award;~~

~~d. Performance and payment bonds, bond-related documentation, and correspondence with any sureties;~~

~~e. Contract-required insurance documentation;~~

~~f. Post-award (pre-performance) correspondence from or to the contractor or other Government agencies;~~

~~g. Notice to proceed;~~

~~h. Approvals or disapprovals of contract submittals required by the contract and requests for waivers or deviations from contractual requirements;~~

~~i. Modifications/changes to the contracts including the rationale for the change, change orders or amendments issued, and documentation reflecting any time and or increases to or decreases from the contract price as a result of those modifications;~~

~~j. Documentation regarding settlement of claims and disputes including, as appropriate, results of audit and legal reviews of the claims and approval by the proper authority of the settlement amount;~~

~~k. Documentation regarding stop work and suspension of work orders and termination actions (convenience as well as default); and~~

~~l. Documentation relating to contract closeout.~~

~~P-13.8.4 Retention of Procurement Records. All records pertaining to the solicitation, award, or performance of a contract shall be maintained for the Consortium in appropriate files by the General Manager.~~

~~All procurement records shall be retained and disposed of by the Consortium in accordance with records retention guidelines and schedules established by the State of Florida and 2 CFR 200.~~

~~P-13.8.5 General Counsel shall determine the Federally Required Contract Clauses to~~

~~be included with each contract, which will be disclosed at the time of advertisement.~~

~~P-13.8.6 Time and Materials contracts shall only be allowed, in the following instances:~~

~~a. After determination that no other contract type is suitable,~~

~~b. The contract specifies a ceiling price that the contractor may not exceed except at its own risk.~~

~~P-13.8.7 Davis-Bacon prevailing wage and hour restrictions shall apply to all construction contracts that involve water treatment exceeding $2,000 and when otherwise required by Federal program legislation.~~

~~P-13.8.8 Cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be allowed.~~

~~P-13.8.9 A change order/amendment review checklist shall be completed for all Contract Change Orders/Amendments. All out-of-scope Contract Change Orders/Amendments shall include the following:~~

~~a. An independent estimate and cost analysis prepared by the Architect/Engineer or General Manager,~~

~~b. The contractor's proposal,~~

~~c. Meeting minutes discussing the change order and written evidence of negotiations,~~

~~d. Evidence of Board approval prior to initiation of work (if applicable),~~

~~e. Change order form signed by all parties.~~

~~P-13.8.10 Cardinal Changes (tag-ons) defined as a change which cannot be redressed within the contract (base and option) as it was not bargained for when originally advertised, competed, and awarded, whether for the use of the buyer or for others, and then treating the add-on portion as though it met the requirements of competition shall not be allowed.~~

~~P-13.9 Cancellation of Solicitations~~

~~An ITB, RFP or RFQ may be canceled, or any or all solicitations may be rejected in whole or in part when it is in the best interests of the Consortium, as determined by the Board. Notice of cancellation shall be posted on the Consortium website. The notice shall identify the solicitation and, where appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurement of similar items.~~

~~P-13.10 Disqualification of Vendors~~

~~For any specific competitive solicitation, vendors may be disqualified by the Procurement Manager for the following reasons:~~

~~a. Failure to materially perform according to contract provisions on prior contracts with the Consortium.~~

~~b. Conviction in a court of law of any criminal offense in connection with the~~

~~conduct of business.~~

~~c. Clear and convincing evidence of a violation of any federal or state anti-trust law based on the submission of bids or proposals, or the awarding of contracts.~~

~~d. Clear and convincing evidence that the vendor has attempted to give a Board employee a gratuity of any kind for the purpose of influencing a recommendation or decision in connection with any part of the Board's Procurement activity.~~

~~e. Failure to execute a Public Entity Crimes Statement as required by Section 287.133, Florida Statutes.~~

~~f. Other reasons deemed appropriate by the Consortium.~~

~~P-13.11 Negotiation of Terms and Conditions – Less Than Two Responsive Submissions.~~

~~If less than two responsive bids, proposals, or replies for commodity or contractual services purchases are received, or all bids received exceed the available budget identified for the commodity or contractual service, the Procurement Manager may negotiate on the best terms and conditions. The Procurement Manager shall document the reasons that such action is in the best interest of the Consortium in lieu of resoliciting competitive sealed bids, proposals, or replies. The Procurement Manager shall report all such actions to the Consortium or designee prior to final award of any contract resulting from the negotiations. Award will be made according to the award thresholds in Table 1.~~

~~P-13.12 Prohibited Communications~~

~~P-13.12.1 Any form of communication, except for written correspondence with the Procurement Manager requesting clarification or asking questions, shall be prohibited regarding a particular ITB, RFP or RFQ, or any other competitive solicitation between: Any person or person's representative seeking an award from such competitive solicitation; and~~

~~Any Board Member, Consortium consultant or any Manager employee authorized to act on behalf of the Consortium to award a particular contract.~~

~~P-13.12.2 For the purpose of this section, a person's representative shall include, but not be limited to, the person's employee, partner, officer, director, consultant, lobbyist, or any actual or potential subcontractor or consultant of the person.~~

~~13.12.3 The prohibition on communications described in this Section shall be in effect from the date of advertisement or release of the competitive solicitation and terminate at the time the Consortium approves the award of a contract, rejects all bids or responses, or otherwise takes action which ends the solicitation process.~~

~~P-13.12.4 The provisions of this section shall not apply to oral communications at any public proceeding, including pre-bid conferences, oral presentations before selection committees, contract negotiations during any public meetings, presentations made to the Consortium, and protest hearings. Further, the~~

~~provisions of this section shall not apply to contract negotiations between any employee, agent, or representative of the Consortium and the intended awardee, any dispute resolution process following the filing of a protest between the person filing the protest and any employee, communications with the General Counsel or communications with the Procurement Manager.~~

~~P-13.12.5 Prohibited communications shall result in disqualification from the particular request for proposal, request for qualification, bid, or any other competitive solicitation and may be grounds for suspension from doing business with the Consortium.~~

~~P-13.12.6 For each competitive solicitation exceeding $100,000, all vendors must submit a SF – LLL, Certification Regarding Lobbying pursuant to 44 CFR Part 18.~~

P-~~14~~13. COOPERATIVE PROCUREMENT

P-~~14~~13.1 State Contracts

The Procurement Manager is authorized to purchase goods or services for any dollar amount from authorized vendors listed on the respective state contracts (state term continuing supply contracts, SNAPS agreements (State Negotiated Agreement Price Schedules), agreements resulting from Invitations to Negotiate (ITN), or other such contracts authorized by statute for use by local governments of the Florida Department of Management Services or other state agencies.

P-~~14~~13.2 Federal Supply Service

The Procurement Manager is authorized to purchase goods or services for any dollar amount from authorized vendors listed on the eligible Federal Supply Schedules issued by the Federal General Services Administration (GSA). Such purchases shall be made without competitive bids provided that funding has been appropriated and approved by the Consortium.

P-~~14~~13.3 Other Public Procurement Units

The Procurement Manager shall have the authority to join with other units of government in cooperative Procurement ventures when the best interest of the Consortium would be served thereby, and the same is in accordance with State law. The Procurement Manager shall appropriately document such cooperative Procurement arrangements. All Cooperative Procurement conducted under this section shall be through contracts awarded through full and open competition, including use of source selection methods equivalent to those required by this policy. Each selection method shall clearly state the intention to include participation by other units of government as a requirement for use in cooperative Procurement.

P-~~14~~13.4 Cooperative Procurement Organizations

The Procurement Manager is authorized to purchase goods or services for any dollar amount from authorized vendors listed on eligible contracts of cooperative Procurement organizations. Such purchases shall be made without competitive bids

provided that funding has been appropriated and approved by the Consortium. All Cooperative Procurement contracts utilized under this section shall have been awarded through full and open competition, including use of source selection methods equivalent to those required by this policy.

P-~~14~~13.5 Documentation Requirements

The following documentation is the minimum required to use another government entity's awarded contract:

P-14.5.1 Florida contracts. For all cooperative procurements off state contracts, the current state contract number is required. If the contract has fixed unit prices, a copy of the contract is required. If the contract is a percent discount from list, then a copy of the original manufacturer's list price must be attached. This will usually be in a form of a published price list. If only some of the items on the contract are being sought, then only the pages with those prices are required.

P-14.5.2 Federal GSA contracts. For all cooperative procurements off federal GSA contracts, a copy of the GSA contract showing the contract name, number and contract term is required. The ordering information pages and the pages with the pricing are also required. If the contract is a percent discount from list, then a copy of the original manufacturer's list price must be attached. This will usually be in the form of a published price list. If only some of the items on the contract are being sought, then only the pages with those prices are required.

P-14.5.3 Contracts from other government entities. For all cooperative procurements from other government entities, the required documentation includes:

1. A complete copy of the original bid/RFP;
2. A copy of award letter/memo/agenda item with minutes by the government entity to the vendor to document award;
3. A complete copy of vendor's proposal; and
4. A complete copy of the current contract with the vendor and any amendments thereto.

P-~~14~~13.6 Cooperative Procurements Using Federal Funds.

If the Consortium seeks to cooperatively procure goods or services to be paid for with federal grant funds and for which the provisions of 2 CFR 200 apply, the Consortium shall comply with all

applicable rules, regulations, or policies governing cooperative procurement imposed by the granting agency as well as 2 CFR 200.318(e). The Procurement Manager shall consult with the granting agency and General Counsel prior to utilizing a cooperative procurement for goods or services to be funded under a federal grant.

P-~~15~~14. PROTESTING INTENDED DECISIONS AND PROCUREMENT AWARDS

P-~~15~~14.1 Right to Protest

Any person, hereinafter referred to as Protestor, who submits a timely response to a competitive solicitation, and who is aggrieved with an Intended Decision of the Consortium or a Procurement Award rendered by the Board shall have the right to protest. Vendors who do not submit a legitimate response to a competitive procurement do not have standing to file a protest. Furthermore, vendors who would not be awarded the subject contract, even if the protest were successful, lack standing to file a protest.

P-~~15~~14.2 Filing a Protest

A Protestor shall file with the Consortium a notice of intent to protest in writing within 72 consecutive hours after the posting of the notice of Intended Decision or Procurement Award of the Consortium. A formal written protest shall be filed within 7 calendar days after the date the notice of intent to protest has been filed. Failure to timely file a notice of intent to protest or failure to file a formal written protest shall constitute a waiver of the right to proceedings under this Section.

A notice of intent to protest and the formal written protest are deemed filed with the Consortium when it is received by the Procurement Manager.

P-~~15~~14.2.1 The notice of intent to protest shall contain at a minimum: the name of the Protestor; the Protestor's address and phone number; the name of the Protestor's representative to whom notices may be sent; the name and number of the solicitation; and, a brief factual summary of the basis of the protest.

P-~~15~~14.2.2 The formal written protest shall: identify the Protestor and the solicitation involved; include a plain, clear statement of the grounds upon which the protest is based; refer to the statutes, laws, ordinances, or other legal authorities which the Protestor deems applicable to such grounds; and, specify the relief to which the Protestor deems himself entitled.

P-~~15~~14.2.3 A formal written protest shall include the posting of a bond with the General Manager at the time of filing the formal written protest, made payable to the Consortium, in an amount equal to one percent (1%) of the Consortium's estimate of the total dollar amount of the contract or $5000, whichever is greater. After completion of the bid protest process and any court proceedings, if the Protestor prevails, the protestor shall be entitled to have his bond returned. In no case will the Protestor or Intervenor be entitled to any costs incurred with

the solicitation, including bid preparation costs, lost profits, bid protest costs, and/or attorney's fees.

P-~~15~~14.2.3 Timeliness of protest determinations. All determinations on the timeliness of notices of intent to protest and formal written protests will be made by the Procurement Manager.

P-~~16~~15. GENERAL PROVISIONS

P-~~16~~15.1 Time Limits

The time limits in which formal written protests shall be filed as provided herein may be altered by specific provisions in the invitation to bid, request for proposals, request for qualifications, or upon the mutual written consent of the Protestor and the Consortium.

P-~~16~~15.2 Entitlement to Costs

In no case will the Protestor be entitled to any costs incurred with the competitive solicitation, including, but not limited to bid preparation costs, lost profits, bid protest costs, and/or attorney's fees.

P-~~16~~15.3 Stay of Procurement During Protests.

In the event of a timely protest, the Procurement Manager shall not proceed further with the solicitation or award of the contract until all administrative remedies have been exhausted or until the General Manager makes a written determination that the award of a contract without delay is necessary to protect the substantial interests of the Consortium. Additionally, the General Manager, or designee may execute an extension of current contract(s) to ensure the continuation of critical services.

P-~~16~~15.4 Protest of Intended Decisions.

Upon timely receipt of a notice of intent to protest an Intended Decision, the Procurement Manager shall provide the Protestor with acknowledgement of receipt and a copy of this Section. The Procurement Manager shall within two business days mail a copy of the notice of intent to protest to all persons who responded to the competitive solicitation.

P-~~16~~15.4.1 Within 7 days of receiving the formal written protest, the Procurement Manager shall respond to the Protestor affirming or denying the protest. Within 5 days of issuance of the Procurement Manager's decision, such decision may be appealed to the General Manager. The General Manager, in coordination with General Counsel, shall within 5 days of receiving the appeal, respond by affirming or overruling the Procurement Manager's decision. The General Manager's decision shall be deemed final action by the Consortium.

P-15.5 Indemnification Statement

It is Consortium standard practice to require vendors and contractors to indemnify the Consortium. The General Manager or designee will only make deviations from this policy upon approval by the Board and upon determination that it is in the best interest of Consortium.

P-15.6 Insurance Requirements/Recommendations

Prior to commencing work the contractor shall procure and maintain, at the contractor's own expense, for the duration of the contract and any extensions, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work or services hereunder by the Contractor, contractor's agents, representative, employees or subcontractors and any other insurance coverage required by the ITB, RFP or RFQ.

All insurance shall be obtained from an agency of an insurance company, which agency shall have an established place of business in the State of Florida and be duly licensed to conduct business therein.

P-15.7 Selection Criteria and Reference Checks

A Selection Criteria Form and Reference Check form shall be completed prior to the recommendation for award in order to consider whether the bidder meets the standards of qualification. Factors to be considered shall include whether the bidder has the following:

a. The appropriate financial, material, equipment, facility, and personnel resources and expertise available or the ability to obtain them, necessary to indicate its capability to meet all contractual requirements;

b. A satisfactory record of performance;

c. A satisfactory record of integrity;

d. Ability to get bonding and insurance;

e. The legal ability to contract with the Consortium;

f. Supplied all necessary information in connection with the inquiry concerning responsibility including, but not limited to licenses, permits, or organization papers required.

g. Satisfactory status with the Consortium.

h. No conflict of interest. An organizational conflict of interest exists, when any of the following occur:

   1. Because of other activities, relationships, or contracts, a contractor is unable, or potentially unable, to render impartial assistance or advice;

   2. A contractor's objectivity in performing the contract work is or might be otherwise impaired; or

   3. The contractor has an unfair competitive advantage.

i. See Sample Reference Check form attached.

P-15.8 Award

The contract shall be awarded with reasonable promptness to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the Invitation to Bid. For Request for Proposals, the contract shall be awarded to the top-ranked, most responsive and responsible proposer with whom a mutually-agreeable contract is negotiated. The Consortium reserves the right to waive any informality in bids and proposals and to make an award in whole or in part when either or both conditions are in the best interest of the Consortium. The contract shall be awarded by purchase order or written agreement.

P-15.9 Notice of Intended Decision

The Intended Decision shall be posted on the Consortium website. This written notice shall state the firm or firms to whom the Consortium intends to award the contract resulting from the solicitation and establishes the 72 consecutive hour period in which a notice of intent to protest may be timely filed.

P-15.10 Contract Administration Compliance with Federal Contract Provisions

P-15.10.1 Contract Administration. All contracts shall include provisions adequate to form a sound and complete agreement which shall comply with Federal laws and regulations and include all required Federal contract provisions to ensure compliance with those laws and regulations.

P-15.10.2 The Contract Administration procedures shall be followed for all federally funded contracts.

P-15.10.3 The Procurement File shall contain proper contract administration including, but not limited to:

a. Evidence of Board approval and funding commitment;

b. Evidence of advertisement and tabulation of bids;

c. The executed contract and notice of award;

d. Performance and payment bonds, bond-related documentation, and correspondence with any sureties;

e. Contract-required insurance documentation;

f. Post-award (pre-performance) correspondence from or to the contractor or other Government agencies;

g. Notice to proceed;

h. Approvals or disapprovals of contract submittals required by the contract and requests for waivers or deviations from contractual requirements;

i. Modifications/changes to the contracts including the rationale for the change, change orders or amendments issued, and documentation reflecting any time and or increases to or decreases from the contract price as a result of those modifications;

j. Documentation regarding settlement of claims and disputes including, as appropriate, results of audit and legal reviews of the claims and approval by the proper authority of the settlement amount;

k. Documentation regarding stop work and suspension of work orders and termination actions (convenience as well as default); and

l. Documentation relating to contract closeout.

P-15.10.4 Retention of Procurement Records. All records pertaining to the solicitation, award, or performance of a contract shall be maintained for the Consortium in appropriate files by the General Manager.

All procurement records shall be retained and disposed of by the Consortium in accordance with records retention guidelines and schedules established by the State of Florida and 2 CFR 200.

P-15.10.5 General Counsel shall determine the Federally Required Contract Clauses to be included with each contract, which will be disclosed at the time of advertisement.

P-15.10.6 Time and Materials contracts shall only be allowed, in the following instances:

a. After determination that no other contract type is suitable,

b. The contract specifies a ceiling price that the contractor may not exceed except at its own risk.

P-15.10.7 Davis-Bacon prevailing wage and hour restrictions shall apply to all construction contracts that involve water treatment exceeding $2,000 and when otherwise required by Federal program legislation.

P-15.10.8 Cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be allowed.

P-15.10.9 A change order/amendment review checklist shall be completed for all Contract Change Orders/Amendments. All out-of-scope Contract Change Orders/Amendments shall include the following:

a. An independent estimate and cost analysis prepared by the Architect/Engineer or General Manager,

b. The contractor's proposal,

c. Meeting minutes discussing the change order and written evidence of negotiations,

d. Evidence of Board approval prior to initiation of work (if applicable),

e. Change order form signed by all parties.

P-15.10.10 Cardinal Changes (tag-ons) defined as a change which cannot be redressed within the contract (base and option) as it was not bargained for when originally advertised, competed, and awarded, whether for the use of the buyer or for others, and then treating the add-on portion as though it met the requirements of competition shall not be allowed.

P-15.11 Cancellation of Solicitations

An ITB, RFP or RFQ may be canceled, or any or all solicitations may be rejected in whole or in part when it is in the best interests of the Consortium, as determined by the Board. Notice of cancellation shall be posted on the Consortium website. The notice shall identify the solicitation and, where appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurement of similar items.

P-15.12 Disqualification of Vendors

For any specific competitive solicitation, vendors may be disqualified by the Procurement Manager for the following reasons:

a. Failure to materially perform according to contract provisions on prior contracts with the Consortium.

b. Conviction in a court of law of any criminal offense in connection with the conduct of business.

c. Clear and convincing evidence of a violation of any federal or state anti-trust law based on the submission of bids or proposals, or the awarding of contracts.

d. Clear and convincing evidence that the vendor has attempted to give a Board employee a gratuity of any kind for the purpose of influencing a recommendation or decision in connection with any part of the Board's Procurement activity.

e. Failure to execute a Public Entity Crimes Statement as required by Section 287.133, Florida Statutes.

f. Other reasons deemed appropriate by the Consortium.

P-15.13 Negotiation of Terms and Conditions – Less Than Two Responsive Submissions.

If less than two responsive bids, proposals, or replies for commodity or contractual services purchases are received, or all bids received exceed the available budget identified for the commodity or contractual service, the Procurement Manager may negotiate on the best terms and conditions. The Procurement Manager shall document the reasons that such action is in the best interest of the Consortium in lieu of resoliciting competitive sealed bids, proposals, or replies. The Procurement Manager shall report all such actions to the Consortium or designee prior to final award of any contract resulting from the negotiations. Award will be made according to the award thresholds in Table 1.

P-15.14 Prohibited Communications

P-15.14.1 Any form of communication, except for written correspondence with the Procurement Manager requesting clarification or asking questions, shall be prohibited regarding a particular ITB, RFP or RFQ, or any other competitive solicitation between: Any person or person's representative seeking an award from such competitive solicitation; and

Any Board Member, Consortium consultant or any Manager employee authorized to act on behalf of the Consortium to award a particular contract.

P-15.14.2 For the purpose of this section, a person's representative shall include, but not be limited to, the person's employee, partner, officer, director, consultant, lobbyist, or any actual or potential subcontractor or consultant of the person.

P-15.14.3 The prohibition on communications described in this Section shall be in effect from the date of advertisement or release of the competitive solicitation and terminate at the time the Consortium approves the award of a contract, rejects all bids or responses, or otherwise takes action which ends the solicitation process.

P-15.14.4 The provisions of this section shall not apply to oral communications at any public proceeding, including pre-bid conferences, oral presentations before selection committees, contract negotiations during any public meetings, presentations made to the Consortium, and protest hearings. Further, the provisions of this section shall not apply to contract negotiations between any employee, agent, or representative of the Consortium and the intended awardee, any dispute resolution process following the filing of a protest between the person filing the protest and any employee, communications with the General Counsel or communications with the Procurement Manager.

P-15.14.5 Prohibited communications shall result in disqualification from the particular request for proposal, request for qualification, bid, or any other competitive solicitation and may be grounds for suspension from doing business with the Consortium.

P-15.14.6 For each competitive solicitation exceeding $100,000, all vendors must submit a SF – LLL, Certification Regarding Lobbying pursuant to 44 CFR Part 18.

P-16~~7~~. CONTRACTING WITH SMALL AND MINORITY BUSINESSES

In accordance with federal procurement rules, specifically 2 C.F.R. 200.321, the Consortium will take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

Affirmative steps include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which

encourage participation by small and minority businesses, and women's business enterprises;

5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

The Procurement Manager shall ensure that the requirements are included in competitive procurements as it applies to both primary and subcontractors.

The Consortium will accept certification of 8(a), WOSB or HUBZone status from the Small Business Administration or its contracted certification providers as SBA may designate from time to time or the Florida Department of Transportation (FDOT) DBE program in lieu of creating its own certification program.

The Consortium will utilize the SAM (U.S. System for Award Management, SAM.gov) and FDOT DBE lists to notify certified W/MBE firms of procurement opportunities, as deemed appropriate. The efforts of such outreach shall be maintained in the original purchasing file.

P-~~18~~17. RIGHTS OF THE GULF CONSORTIUM BOARD

Nothing in this Policy shall be deemed to abrogate, annul, or limit the right of the Board in accordance with Florida law and in the best interests of the Consortium, to reject all bids/proposals received in response to a solicitation , to determine in its sole discretion the responsiveness and responsibility of any bidder/proposer, to approve and authorize or to enter into any contract it deems necessary and desirable for the public welfare, or to vary the requirements of the Policy in any instance when necessary and desirable for the public welfare.

P-~~19~~18. ETHICS IN PUBLIC CONTRACTING

18~~9~~.1 Criminal Penalties

To the extent that violations of the ethical standards of conduct set forth in this policy constitute violations of the State Criminal Code they shall be punishable as provided therein. Such penalties shall be in addition to civil sanctions set forth in this part.

P-~~20~~19. CONSULTANT CONFLICT OF INTEREST

P-19~~20~~.1 Participation

It shall be unethical for any Consultant to participate directly or indirectly in a procurement contract when the Consultant knows that:

a. the Consultant or an immediate family member (father, mother, brother, sister, child, grandparent, or grandchild of Consultant or spouse) has a financial interest pertaining to the procurement contract; or

b. any other person, business, or organization with whom the Consultant or immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement contract.

P-19~~20~~.2 Blind Trust

A Consultant or immediate family of a Consultant who holds a financial interest in a disclosed blind trust shall not be deemed to have a conflict of interest with regard to matters pertaining to that financial interest.

P-20~~1~~. CONTEMPORANEOUS EMPLOYMENT PROHIBITED

It shall be unethical for any Consultant who is participating directly or indirectly in the procurement process to be an employee or contractor of any entity that submits a response to such procurement.

P-~~22~~21. GRATUITIES AND KICKBACKS

P-~~22~~21.1 Gratuities

It shall be unethical for any person to offer, give, or agree to give any Consortium Board Member, Consultant or their employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or performing in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, subcontract, or to any solicitation or proposal therefor.

P-~~22~~21.2 Kickbacks

It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

P-~~22~~21.3 Contract Clause

The prohibition against gratuities and kickbacks prescribed in this section shall be conspicuously set forth in every contract and solicitation therefore.

P-~~23~~22. SANCTIONS

The Board may impose any one or more of the following sanctions for violation of the ethical standards:

a. written warnings;
b. termination of contracts; or
c. debarment or suspension (see Section 25).

P-~~24~~23. RECOVERY OF VALUE TRANSFERRED OR RECEIVED IN BREACH OF ETHICAL STANDARDS

P-~~24~~23.1 General Provisions

The value of anything being transferred or received in breach of the ethical standards of this policy by a Consortium Board Member or Consultant may be recoverable by the Consortium.

P-~~24~~23.2 Recovery of Kickbacks by the Consortium

Upon a showing that a subcontractor made a kickback to a prime contractor or a higher tier subcontractor in connection with the award of a subcontract or order there under, it shall be conclusively presumed that the amount thereof was included in the price of the subcontract or order and ultimately borne by the Consortium and will be recoverable hereunder from the recipient. In addition, that amount may also be recovered from the subcontractor making such kickback. Recovery from one offending party shall not preclude recovery from other offending parties.

P-~~25~~24. AUTHORIZATION TO DEBAR OR SUSPEND VENDOR(S)

P-~~25~~24.1 Suspension

After consultation with the General Counsel, the Procurement Manager is authorized to suspend a person from consideration for award of contracts if there is probable cause to believe that the person has engaged in any activity, which might lead to debarment. The suspension shall be for a period not to exceed three (3) months, and the Procurement Manager shall immediately inform the Board and provide notice to the affected person.

P-~~25~~24.2 Debarment

After reasonable notice and a reasonable opportunity for the suspended person to be heard, the Board shall either debar such person or terminate the suspension. The debarment should be for a period of not more than three (3) years.

P-~~25~~24.3 Causes for Debarment

The causes for debarment include:

a. entry of a plea of guilty, no contest, or nolo contendere to or conviction of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;

b. entry of a plea of guilty, no contest, or nolo contendere to or conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or

destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a contractor;

c. entry of a plea of guilty, no contest, or nolo contendere to or conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;

d. violation of contract provisions, as set forth below, of a character which is regarded by the Board to be so serious as to justify debarment action:

1. deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

2. a recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment;

e. having been adjudicated guilty of any violation by the State of Florida Construction Industry Licensing Board within the past twelve (12) month period at the time of bid submittal;

f. any other cause the Procurement Manager or Board determines to be as serious and compelling as to affect responsibility as a contractor, including debarment by another governmental entity.

P-~~25~~24.4 Notice of Decision

The Procurement Manager shall issue a written notice to the person of the decision to debar or suspend. The decision shall state the reasons for the action taken and inform the debarred or suspended person involved of his/her rights concerning judicial or administrative review. The written decision shall be mailed or otherwise furnished immediately to the debarred or suspended person.

P-~~25~~24.5 Appeal of Decision to Debar or Suspend

The debarred or suspended person may appeal the Procurement Manager's decision to the Board within 10 days from the date of the decision. The Board's decision shall be deemed final action by the Consortium.

P-~~25~~24.6 System for Award Management

All Contractors must be registered in the System for Award Management (SAM). The Consortium shall check SAM to verify that the Contractor has a correct registration and is not debarred.

P-~~26~~25. INSURANCE REQUIREMENTS

P-~~26~~25.1 Minimum Requirements.

Contractor shall purchase and maintain such insurance as necessary to protect it from claims under Workers' Compensation laws, disability benefit laws or other similar employee benefit plans; from claims or damages because of bodily injury, occupational sickness or disease or death of its employees and claims insured by usual personal injury liability coverage in amounts as set forth in the ITB, RFP or RFQ.

P-~~26~~25.2 Certificates of Insurance

Certificates of Insurance naming the Consortium as an additional insured shall be filed with the General Manager prior to the commencement of the work and periodically thereafter upon any renewals during the term of the contract.

P-~~26~~25.3 Change of Insurance Requirements

The Consortium reserves the right to change the insurance requirements based on the project scope, or when determined in the best interest of the Consortium.

P-~~27~~26. PAYMENT TO VENDORS

The Procurement Manager shall establish administrative procedures, processes, and forms necessary for the implementation and administration of payments for all contracts entered into by the Consortium.

SAMPLE REFERENCE CHECK FORM

REFERENCE VERIFICATION

PROCUREMENT/CONTRACT NO.: _____

PROJECT/SERVICE TITLE:

CONSULTING FIRM:_____

REFERENCE CONTACTED:_____

PROJECT REFERENCED:_____

QUESTIONS:

1. Please verify the accuracy of the information submitted?
   [Proposer's description of completed project/service.]

2. What was the time period that they worked on the project?
   Start Date: Completion Date:

3. Did they efficiently and effectively carry out their contractual obligations?

4. Did the final product meet all required criteria?

5. Were any change orders. Specification changes or schedule extensions required to complete the project?

Did you encounter any problems with the Contractor, their Staff or Subs Consultants throughout

PROCEDURES REVIEW POLICY

for

The Gulf Consortium

June ~~2021~~2022

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DEFINITIONS

The following terms defined in this section shall have the meanings set forth below whenever they appear in the Gulf Consortium Policies:

1. "Board" means the Board of Directors of the Gulf Consortium.

2. "Consortium" shall mean the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

3. "General Counsel" shall refer to the person or persons retained to provide legal counsel to the Consortium.

4. "General Manager" shall refer to the staff so designated by the entity contracted to provide General Manager services for the Consortium.

5. "Person" means any business, individual, committee, club, other organization, or group of individuals.

6. "Procurement" means buying, procuring, leasing, or otherwise acquiring any materials, supplies, services, or equipment. It also includes all functions that pertain to the obtaining of any material, supplies, services, construction, and equipment, including description of specifications and requirements, selection and solicitation of resources, preparation, and award of contract.

7. "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than those which is not defined as supplies and which are merely incidental to the required performance.

8. "Specification" means any description of the physical or functional characteristics of the nature of a material, supply, service, construction, or equipment item. It may include a description of any requirement for inspection, testing, recycled, or degradable materials content, or preparing a material, supply, service, construction, or equipment item for delivery.

PR-1. BACKGROUND

Outdated policies can expose the Gulf Consortium to risk. Old policies may fail to comply with new laws and regulations. They may not address new systems or technology, which can result in inconsistent practices. This Procedures Review Policy is intended to ensure periodic review of the Gulf Consortium's policies and procedures in order to ensure that such policies and procedures remain up to date with the latest regulations, technology, and industry best practices.

PR-2. OBJECTIVE

Each policy review will address the following questions:

a. Is the policy being implemented as intended?

Each review should consider whether employees, consultants, subrecipients, or other persons or parties to which the policy is addressed are complying with such policy and/or procedure. If there are instances of non-compliance, a review of the reasons why should be conducted. Is the policy outdated? Are the procedures difficult to follow? Have accounting or technology platforms changed during the year that the policy doesn't address? Has sufficient training been completed?

b. Is the policy having the desired effect?

Each policy is intended to meet a clear goal or objective. Over time, review of the policy objectives will help to assess whether a policy is effective. For example, if a policy was put in place to improve employee safety and employees are following the policy but accidents are still occurring at the same rate, the policy should be examined to identify how to revise it to be more effective.

c. Are the policies and procedures current and relevant?

Each review should confirm that policies and procedures align with current systems and structures. If the policies and procedures refer to outdated structures or technology, employees, consultants, subrecipients or other persons or parties to which the policy is addressed are more likely to ignore them or think that they are no longer relevant. For example, if the policies refer to contact individuals that are no longer in place, updates are necessary.

PR-3. PROCESS

Unless the Board approves a different schedule, ~~ninety days prior to the established annual review date for all policies, which shall be the anniversary of acceptance by the RESTORE Council of the Consortium's OSA unless the Board approves exceptions to this schedule, the following process~~ the policy review process described in this Section will commence in March of each year. ~~Exceptions are likely to occur in years when~~Provided, the policy review process may begin after March in years in which Board member transitions result from elections, and new Board members are not seated until late January.

PR-3.1 Determine the parties involved with each policy

Depending on the policy, the individuals and entities involved with the policy may

differ. One or more Policy Review Committees shall be created by the Board. The purpose of such Policy Review Committees shall be to review the Consortium's current policies in accordance with the criteria described in Section PR-2 and recommend any proposed changes to the Board. Generally speaking, the Policy Review Committee(s) shall be comprised of a member of the General Counsel, at least one Board representative, at least one non-Board RESTORE Coordinator and representatives from Accounting, Procurement and Grants Administration. A Consortium staff person or consultant will be designated as a point person for the review of each policy. In addition, General Counsel will be asked to conduct a legal review of statutory references throughout existing policies to ensure they remain accurate and relevant. The following policies at a minimum will be formally reviewed:

a. Accounting and Financial Management
b. Communications and Public Records
c. Conduct and Conflict of Interest
d. Grant Management
e. Internal Controls
f. Procurement
g. Subrecipient Management

PR-3.2 Convene a review session to propose changes

The Policy Review Committee shall convene at least one group session to review proposed changes put forward by the point person for each policy and to receive the report from General Counsel of any required updates. As needed, additional sessions may be scheduled to allow time for consideration and discussion of all proposed updates or refinements to policy.

PR-3.3 Document all proposed comments and changes to the policy, prepare for Board consideration

The General Manager will maintain an inventory of all policies and procedures and ~~log all~~documentation that shows all proposed changes to each policy proposed by the Procedures Review Committee(s). ~~A summary~~Documentation of all proposed changes and supporting justification will be prepared for the Board's consideration.

PR-3.4 Finalize and disseminate updated policies

Changes that are approved by the Board to any policy will be updated in all Gulf Consortium documents and made available within 30 days as a part of the permanent record.

COMMUNICATIONS AND PUBLIC RECORDS POLICY

for

The Gulf Consortium

June ~~2021~~2022

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DEFINITIONS

The following terms defined in this section shall have the meanings set forth below whenever they appear in the Gulf Consortium Policies:

1. "Board" means the Board of Directors of the Gulf Consortium.

2. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

3. "Consortium" shall mean the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

4. "Contractor/Consultant" means any person having a contract with the Consortium.

5. "Data" means recorded information, regardless of form or characteristic.

6. "Designee" means a duly authorized representative of a person holding a superior position.

7. "General Counsel" shall refer to the person or persons retained to provide legal counsel to the Consortium.

8. "General Manager" shall refer to the staff so designated by the entity contracted to provide General Manager services for the Consortium.

9. "Person" means any business, individual, committee, club, other organization, or group of individuals.

10. "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than those which is not defined as supplies and which are merely incidental to the required performance.

11. "Subrecipient" means a Gulf Consortium member county that receives a subaward of a grant received by the Gulf Consortium from a federal agency.

COMMUNICATIONS AND PUBLIC RECORDS POLICY BACKGROUND

The purpose of this Communications and Public Records Policy is to: (1) provide policies and procedures for the Gulf Consortium to follow when engaging with the public and other governmental agencies to foster clear and effective channels of communication; and (2) ensure compliance with public records inspection, production, and retention requirements imposed by Florida law.

COMMUNICATIONS AND PUBLIC RECORDS POLICY

CPR-1. CHANNELS OF COMMUNICATION

CPR-1.1 RESTORE Council

The Board has delegated to the General Manager and General Counsel all day to day correspondence with the RESTORE Council and its staff. The General Manager shall work to ensure that Gulf Consortium Board Members are timely informed of interactions with and material information disseminated by the RESTORE Council at regularly scheduled intervals, but not less than quarterly, including through communication with individual Board members when necessary.

CPR-1.1.1 The General Manager shall assign at least one contact person to be available for the RESTORE Council to communicate with directly.

CPR-1.~~2~~1.1 From time to time the Board may delegate other Consultants to engage in communication with RESTORE Council.

CPR-1.2 State & Federal Agencies

The Gulf Consortium may delegate the responsibility for communicating and coordinating with State and Federal agencies to the General Manager, General Counsel, or such other Consultants as determined by the Board. The General Manager shall ensure that the Board is timely informed of any relevant communications with State and Federal agencies, including through communication with individual Board Members when necessary.

CPR-1.2.1 All formal, direct ~~-~~inter-~~-~~agency ~~correspondences and~~ agreements will be made publicly available on the Gulf Consortium's website. This does not include inter-agency ~~correspondences~~ agreements between the Consortium and its~~to~~ subrecipients.

CPR-1.2.2 Communication with individual board members must be conducted in a manner which complies with Chapter 286, Florida Statutes, the "Sunshine Law."

CPR-1.3 Grant Subrecipients

The General Manager will be the direct point of contact for the Subrecipients for all matters pertaining to grant applications and management. The General

Manager shall compile all activity of the Subrecipients in a meaningful way and routinely disseminate that information to the Board.

CPR-1.3.1 The General Manager shall designate at least one individual staff member who will be the primary point of contact for the Subrecipients.

CPR-1.4 Other Stakeholders

Communication with all other stakeholders shall be through the General Manager. The General Manager shall inform the Board of relevant communications with stakeholders where appropriate.

CPR-2. COMMUNICATION AND TECHNOLOGY

All Gulf Consortium communication outlets including but not limited to email, telephone, social media sites, and websites operated by or on behalf of the Gulf Consortium are for business use only and personal use is prohibited. The use of any of these mediums to transmit or receive inappropriate messages, to access inappropriate information, or to harass another party is strictly prohibited. Inappropriate messages and information include but are not limited to, those that are for personal benefit and those involving discriminatory, hostile, suggestive, obscene, or otherwise unsuitable language and downloading of software onto the Gulf Consortium's computers, website(s) and/or social media sites.

CPR-2.1 Email

The General Manager oversees incoming and outgoing email for the Consortium and may use email to manage internal affairs and communications on a daily basis.

CPR-2.1.1 All email users are responsible for the content of the messages they send. Each message should be courteous, professional, businesslike, and written in language and tone acceptable for general public review.

CPR-2.2 Privacy

CPR-2.2.1 E-mail users should have no expectation of privacy in the content of their e-mail. All e-mail, whether personal, transitory, or public record, is subject to inspection by the General Manager or its designee.

CPR-2.3 Security

The General Manager is responsible for the security and maintenance of their local area network.

CPR-2.3.1 In order to maintain security, passwords shall comply with cybersecurity~~Cybersecurity~~ best practices~~practice~~. Users shall not disclose their passwords to others or record/post their password where it can be compromised.

CPR-2.3.2 Certain sensitive information, such as personally identifiable information, will be only accessible by the senior members of the General Manager's

team. If senior members of the General Manager's team depart, those members' security rights shall be terminated immediately.

CPR-2.3.1 The General Manager shall oversee and provide due care for the Gulf Consortium's electronic data including back-up solutions which adhere to industry standards. Any data loss or theft shall be immediately reported to the Board.

CPR-3. SOCIAL MEDIA POLICY

CPR-3.1 General

The Gulf Consortium may at times utilize Social Media as a means to disseminate information to the public and provide for news and updates concerning the goals and objectives of the Consortium, the State Expenditure Plan, and the status of projects contained in same. "Social Media," as used herein, means and includes blogs, websites, Facebook profiles/pages, Twitter feeds, Instagram, and related websites available for the dissemination of information and viewing by the public. The rules set out herein are intended to provide for the responsible and appropriate use of social media in furtherance of this purpose.

CPR-3.2 Use of Personal Social Media Sites

Gulf Consortium Members, employees, and consultants, including the General Manager, may create, manage, administer, or communicate news and their own views and opinions regarding Consortium business through Social Media, but must ensure that they do not hold out such views as representative of the Consortium as a whole. As further described in Section 4 of this Policy, communications on personal Social Media sites may constitute Public Records and must be retained in accordance with Florida law. Gulf Consortium Members, employees, and consultants are encouraged to consult with the General Counsel concerning any questions as to the retention requirements applicable to social media content.

CPR-3.3 Creation and Use of Gulf Consortium Social Media Sites.

CPR-3.3.1 The Board may authorize the General Manager to create and manage Social Media Sites on behalf of the Gulf Consortium. Each Consortium Social Media Site shall have at least one individual designated by the General Manager who shall be responsible for the administration, updating, and maintenance of thereof (the "Page Administrator"). Each Page Administrator shall be required to undergo training covering state public records laws including but not limited to those contained in Chapter 119, Florida Statutes.

CPR-3.3.2 The Page Administrator shall post the following on a Consortium Social Media Site:

The Gulf Consortium's name and approved logo;

1. An e-mail address or telephone number for contact purposes;
2. Official Gulf Consortium information, resources, calendars, events, and news; and
3. A link to the Gulf Consortium's website.

Gulf Consortium Social Media Sites may not be used for the following:

1. To communicate political advertisements or electioneering communications concerning an issue, referendum, or other matters that may be subject to the vote of the electors, except for electioneering communications limited to solely factual information in accordance with section 106.113, Florida Statutes;
2. To communicate personal opinions; or
3. To communicate irrelevant, impertinent or slanderous information.

CPR-3.3.3 Two-Way Communication. At the discretion of the General Manager, Consortium Social Media Sites may be structured to allow for two-way communication between the Consortium and the Public. Where two-way communication is permitted, members of the general public may be allowed to post comments and other content which relates to the general purpose and subject matter of the site. In the event the Consortium elects to allow for two-way communication, the following terms of use shall be posted on the Consortium Social Media Site:

"The Gulf Consortium has created this page as a limited public forum for the purpose of facilitating the dissemination of information and communication with the public concerning [Insert Description of Type of Info to Be Provided]. Please be aware that when engaging with the Gulf Consortium through social media, you agree to adhere to the following terms of use:

a. Florida has broad public records laws. All postings on this page, including personal information, may be public records under Florida public records laws and all information is being preserved by the Gulf Consortium.
b. Please keep all comments and discussion on topic and related to the purpose of the page.
c. The following are **expressly prohibited:** pornography; graphic or obscene content; content that promotes illegal activity; violations of copyrights and trademarks; content that promotes, fosters or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, status

with regard to public assistance, national origin, physical or mental disability, gender identity or sexual orientation; content that constitutes an imminent threat; and solicitations, advertisements, or other content that is commercial in nature."

CPR-3.3.4 Retention of Records

a. In accordance with Chapter 119, Florida Statutes, all communications made through Social Media regarding Gulf Consortium business by Consortium Board Members, agents, employees, volunteers, or contractors and comments by the public on Consortium Social Media Sites are Public Records and must be stored according to the retention schedule established by the Department of State.
b. Communications on personal Social Media sites regarding Gulf Consortium business may also be considered a public record under the definitions in Chapter 119, Florida Statutes. It is the sole responsibility of the Consortium Board Members, agents, employees, volunteers, and/or contractors who utilize personal Social Media sites to capture and save any communications received on the social media sites which relate to official Consortium business and provide such communications to the Consortium's public records custodian so that such communications may be retained according to the retention schedule established by the Department of State.

CPR-3.3.5 Sunshine Law Requirements for Board Members Utilizing Gulf Consortium or Personal Social Media. Board Members who use Gulf Consortium Social Media Sites or personal Social Media sites must exercise caution to comply with Chapter 286, Florida Statutes. Pursuant to the requirements of Chapter 286, Florida Statutes, Board Members must not engage in an exchange or discussion of matters with other Board Members via Social Media on matters that will foreseeably come before that Board.

CPR-4. PUBLIC RECORDS

CPR-4.1 Public Record Defined

The term "Public Record" refers to all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by the Gulf Consortium.

CPR-4.2 Compliance with Public Records Laws.

The Gulf Consortium, any committees, consultants, and all Members shall fully

comply with the public records laws embodied in Chapter 119, Florida Statutes. The General Manager shall serve as the custodian of Public Records for the Gulf Consortium. It shall be the duty of the custodian to ensure that Public Records are kept secure, reasonably protected from alteration or destruction, and readily available for inspection.

CPR-4.2.1 Request log – The Consortium will maintain a record of each Public Records request which will identify the date of the request; the name of the requestor if identified; and a general description of the records requested. Completed public records requests will be logged either manually or electronically. Such logs will allow the General Manager to review the timeliness of responses.

CPR-4.3 Public Records Requests.

CPR-4.3.1 Public Records requests may be made in person, in writing, by phone, by email, or fax. The contact information for the custodian to be used for receiving and processing public records requests shall be maintained on the Gulf Consortium's website and prominently posted in the primary administrative building in which public records are routinely created, sent, received, maintained, and requested. The requestor does not have to provide a name, contact information, or show any special or legitimate interest in the record requested. However, if an individual requests records that are deemed confidential or entitled to exemption and the requestor claims entitlement to view the records, then identification may be requested.

CPR-4.3.2 The Gulf Consortium cannot refuse a request because it is "over broad," but can request clarification from the person requesting records. The custodian is not required to answer questions concerning the requested records, create records that do not already exist, or reformat its records in a particular form other than the form in which they already exist. The custodian must allow inspection and copying within limited reasonable time. The custodian shall retrieve the record, review for exemptions and/or confidential information (in coordination with the Gulf Consortium's legal counsel where appropriate), and redact or delete any portion claimed exempt.

CPR-4.3.3 Public Records are to be made available for inspection and copying within a reasonable amount of time but in no case longer than five (5) business days following the original request, except for unusual circumstances, such as voluminous records or requests requiring extensive staff time. When unusual circumstances arise, the custodian should contact persons requesting documents every five (5) days until the request is fulfilled to inform them of progress in obtaining requested material. When a person desires to review original public

record files, it is necessary that a representative of the Consortium be present to ensure the integrity of the public records is maintained. As such, the Consortium may impose a special service charge for time personnel time that is in excess of 30 minutes needed to oversee a person's review of original public records in accordance with CPR-4.4 below.

CPR-4.4. Costs

For all physical copy Public Records requests, the following fee schedule shall apply:

$.15 per page for single page copies (8.5" x 11" and 8.5"x 14)
$. 20 per page for double sided copies
$1.00 per CD/DVD
$1.00 per page for a certified copy of a public record

Costs for duplication of larger sized documents and records (i.e. planning maps, topographical maps, bound books, etc.) are charged at the actual cost associated with the duplication.

There shall be no charge for the first 30 minutes of time spent by the custodian or such other person as designated by the Gulf Consortium or General Manager in compiling Public Records pursuant to a Public Records request. If the nature or volume of Public Records requested to be inspected or copied is such as to require extensive use of information technology resources or extensive clerical or supervisory functions, a special service charge may be imposed. Any such special service charge so imposed shall be reasonable and shall be based on the actual cost incurred for the extensive use of information technology resources or the labor cost of the personnel providing the service that is actually incurred by the Gulf Consortium or attributable to the clerical and supervisory assistance required, or both. Actual cost means base salary plus benefits for the lowest paid employee who is qualified to perform the service or the applicable contractual rates for contracted Consortium services.

CPR-4.4.1 In order to maximize the efficient use of Gulf Consortium resources, upon receipt of a Public Records request, the custodian shall estimate all costs associated with fulfilling that request and provide that estimate to the requestor within two (2) business days of receipt of the request. Any estimates in excess of $10 must be paid in full before the custodian begins producing the requested records. Upon receipt of a deposit of all estimated costs, the requested materials shall be made available within a reasonable time thereafter, which should not to exceed five (5) business days unless unusual circumstances exist.

If the deposit exceeds the cost of the request, the balance will be returned to the requestor. In all cases, the total cost associated with processing a Public Records request must be paid before any materials will be provided to the requestor.

CPR-4.5. Retention of Public Records

CPR-4.5.1 The custodian shall be responsible for ensuring that all Gulf Consortium Public Records are preserved in accordance with the retention schedule for state and local government agencies established by the State of Florida, General Records Schedule for State and Local Government Agencies as well as applicable record retention requirements in federal awards and/or applicable federal law. In the event of a conflict or inconsistency between applicable retention periods, the longer retention period shall apply. The custodian must keep records secure, reasonably protected from alteration or destruction, and readily available.

CPR-4.5.2 Every Consortium officer, employee, and consultant must ensure the retention of public records within their control and must ensure that such records are made available to the custodian when responsive to public records requests.

CPR-4.5.3 Emails relating to official Consortium business are Public Records. All Consortium Board Members, employees, agents, and contractors are responsible for ensuring the preservation of all emails constituting Public Records and shall provide such to the custodian for inspection and copying upon request.

CONDUCT POLICY

for

The Gulf Consortium

June 2022~~1~~

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DEFINITIONS

The following terms defined in this section shall have the meanings set forth below whenever they appear in the Gulf Consortium Policies:

1. "Board" means the Board of Directors of the Gulf Consortium.

2. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

3. "Consortium" shall mean the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

4. "Data" means recorded information, regardless of form or characteristic.

5. "General Counsel" shall refer to the person or persons retained to provide legal counsel to the Consortium.

6. "General Manager" shall refer to the staff so designated by the entity contracted to provide General Manager services for the Consortium.

7. "Member County" shall mean a county which is a member of the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

8. "Person" means any business, individual, committee, club, other organization, or group of individuals.

INTRODUCTION AND OVERVIEW

The Gulf Consortium adheres to sound professional and ethical standards without compromise. The intent of this Code of Conduct ("Code") is to establish clear ethical guidelines and requirements applicable to all persons and entities working for or on behalf of the Gulf Consortium. Every Director, employee, contractor, consultant, or agent appointed or working on behalf of the Gulf Consortium must read, understand, and comply fully with the principles established by this Code of Conduct.

Ethical conduct is a matter of proper intent, characterized by truthfulness and honesty, compliance with all applicable laws and regulations, and the careful exercise of good professional judgment. Occasionally, one may be placed in situations in which there is a good-faith disagreement as to

what may be the appropriate course of conduct. This Policy is not an exhaustive description of appropriate conduct, because it is impractical to cover in a document of this nature all the significant legal requirements of each jurisdiction in which the Gulf Consortium operates.

The Gulf Consortium requires its Directors, employees, and consultants (including but not limited to the General Manager and General Counsel) to:

- Abide by the ethical requirements set forth in the Florida Constitution and Chapter 112, Florida Statutes;
- Uphold the highest standards of ethical conduct in every action they take;
- Know the rules and laws that govern their duties, and follow them;
- Perform all duties to the best of their ability at all times;
- Use their best efforts to promote and protect the interests of the Gulf Consortium; and
- Operate in the best interest of the public and the member counties the Gulf Consortium serves.

The Gulf Consortium regards violations of this Conduct Policy as serious matters. A breach of established policy can put the Gulf Consortium and its member Counties at risk. Anyone who violates this Conduct Policy may be subject to disciplinary action. In addition, violations of law can result in civil or criminal penalties to the individual as well as the Gulf Consortium. This can also apply to an employee, contractor, consultant, or agent at any level of the Gulf Consortium who directs, approves, or condones violations, or who has knowledge of violations and does not promptly report and correct them.

C-1. EQUAL EMPLOYMENT OPPORTUNITY AND TITLE VI POLICY

It is the Gulf Consortium's policy to provide equal consideration in all employment matters regardless of race, color, religion, sex, age, national origin, handicap/disability, veteran's status, or sexual preference. The Gulf Consortium seeks to provide an environment that is free of unlawful discrimination and harassment. The Gulf Consortium complies with all applicable government employment laws and regulations.

The Gulf Consortium complies with the mandates of the Americans with Disabilities Act of 1990, as amended (ADA). In that regard, qualified individuals with disabilities are encouraged to participate with the Gulf Consortium and the Gulf Consortium will reasonably accommodate such individuals.

The Gulf Consortium operates in compliance with Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." (42 U.S.C. Section

2000d). The Gulf Consortium is committed to ensuring that no person is excluded from participation in, or denied the benefits of the programs and services it offers.

Persons requiring special language services related to any program, service, or activity offered by the Gulf Consortium should contact the General Manager via the contact information provided below.

The Gulf Consortium has established a discrimination complaint procedure and will take prompt and reasonable action to investigate and eliminate discrimination when found. Any person who believes that he or she has been subjected to discrimination based upon race, color, national origin, sex, age, disability, religion, income or family status in any of Consortium's programs, services or activities may file a complaint with the Consortium.

Complaints should be submitted to:

ATTN: Gulf Consortium General Manager
The Balmoral Group
165 Lincoln Avenue
Winter Park, FL 32789
Phone: 407-629-2185
Email: Gulf.Consortium@balmoralgroup.us

If possible, the complaint should be submitted in writing and contain the identity of the complainant, the basis for the allegations (i.e., race, color, national origin, sex, religion, age, disability, family or income status); and a description of the alleged discrimination with the date of occurrence. If the complaint cannot be submitted in writing, the complainant should contact the General Manager for assistance.

C-2. COMPLIANCE WITH LAWS AND REGULATIONS; INDIVIDUAL RESPONSIBILITY

It is of critical importance that all Gulf Consortium Directors, employees, contractors, consultants, and agents understand and comply with all applicable federal, state and local laws. If Gulf Consortium Directors, employees, contractors, consultants, or agents have questions concerning a specific legal or regulatory requirement or concerning a particular situation, they should, consult with the Gulf Consortium's General Counsel.

As a basic tenet ~~tenet~~ of high professional and ethical standards, each person is responsible for their own conduct. Consortium Directors, employees, contractors, consultants, and agents may not justify illegal or unethical conduct by claiming they were ordered by someone else or that such conduct was only "minor" in nature. Nor may Consortium Directors, employees, contractors, consultants, or agents direct someone to commit an illegal or unethical act or omission, regardless of the perceived "minor" nature of the conduct. If a representative of the Gulf Consortium is approached by anyone inside or

outside the Gulf Consortium with a request to do something unethical or illegal, that person should refuse to do so and immediately report the incident to the General Manager and/or General Counsel.

C-3. ETHICAL REQUIREMENTS AND CONFLICTS OF INTEREST

The Gulf Consortium shall adhere to the Code of Ethics for Public Officers and Employees codified in Chapter 112, Part III, Florida Statutes. Chapter 112, Part III, Florida Statutes, prohibits, among other things, the following:

- A Gulf Consortium Director, employee, or consultant (including the General Manager and General Counsel) from soliciting or accepting any gift, loan, favor, reward, or service (i.e. anything of value) that would cause a reasonably prudent person to be influenced in the discharge of official duties, or that is based upon any understanding that the action and/or judgment of the official or employee "would be influenced thereby."

- A Gulf Consortium Director, employee, or consultant (including the General Manager and General Counsel) from transacting business on behalf of the Gulf Consortium with any business entity in which either the Director, employee, managing consultant, General Counsel or their immediate family has a "material interest," defined as direct or indirect ownership of more than 5% of the total assets or capital stock of such business entity.

- A Gulf Consortium Director, employee, or consultant (including the General Manager and General Counsel) from accepting compensation to influence any action in his/her official capacity with the Gulf Consortium.

- A Gulf Consortium Director, employee, or consultant (including the General Manager and General Counsel) from using his/her position to secure a special privilege, benefit, or exemption for him/herself or others.

- A Gulf Consortium Director, employee, or consultant (including the General Manager and General Counsel) from holding any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, the Gulf Consortium. Nothing herein shall be construed as prohibiting a Gulf Consortium Director, employee, or consultant (including the General Manager and General Counsel) from holding any employment or contractual relationship with a subrecipient member county, unless such would otherwise be in violation of Chapter 112, Part III, Florida Statutes.

- A Gulf Consortium Director, employee, or consultant (including the General Manager and General Counsel) from disclosing or using information not available

to the general public, gained by reason of their official position, for his/her personal gain or for the gain of any other person or business entity.

All contractors and suppliers engaging in business transactions with the Gulf Consortium shall be advised of these prohibitions. Any questions concerning these or other ethical requirements applicable to the Consortium should be referred to the Consortium's General Counsel.

C-4. VOTING CONFLICTS

In accordance with section 112.3143, F.S., Gulf Consortium Directors are prohibited from voting on any matter that the Director knows would inure to his or her special private gain or loss, or to the special private gain or loss of: (1) any principal by whom the Director is retained; (2) any "relative" as defined in section 112.3143, F.S.; or any business associate of the Director.

In the event of a voting conflict, Directors must: (1) disclose the nature of the conflict prior to the vote being taken, and (2) refrain from voting on the item. Directors shall make every reasonable effort to disclose the nature of the conflict in a written memorandum filed with the General Manager prior to the vote. In the event it is not possible for the Director to file such memorandum before the vote, it shall be filed with the General Manager no later than 15 days after the vote. Upon disclosing the nature of the conflict, the Director may participate in Board discussion of the item.

Directors are strongly encouraged to consult with Gulf Consortium General Counsel prior to Board meetings at which official action will be taken to identify potential voting conflict issues.

C-5. FINANCIAL INTEGRITY

The financial books, records, and accounts of the Gulf Consortium must accurately and fairly reflect in reasonable detail the Gulf Consortium's assets, liabilities, revenues, and expenses. Any person or entity having occasion to prepare such records must do so in conformity with 2 CFR Part 200, generally accepted accounting principles (GAAP), generally accepted auditing standards (GAAS), and the U.S. Foreign Corrupt Practices Act, as amended. No false or fictitious entries may be made on the books, records, or accounts of the Gulf Consortium, nor shall funds or accounts be established or maintained for purposes that are not fully and accurately described. Payments may be made only to the contracting party or a valid assignee, and only for actual services rendered or products delivered. The use of the Gulf Consortium's funds or assets for unlawful purposes is strictly prohibited. Any consultant working on behalf of the Gulf Consortium which prepares financial information for the Gulf Consortium must also be aware of and abide by these standards.

C-6. GOVERNMENT PROJECT STANDARDS

Throughout all dealings with any governmental entity, no false, fictitious, or fraudulent

statements may be made by a Director, employee, contractor, consultant, or agent on behalf of the Gulf Consortium. This is true whether any such statement is made in proposals, invoices, reports, or negotiations, including negotiations of disputes. It is imperative that all invoices and claims submitted to governmental agencies on behalf of the Gulf Consortium accurately reflect the work performed and are in strict conformance with the requirements of the applicable grants. When negotiating disputes with a governmental entity on behalf of the Consortium, such as scope, quality of work, or price, it is not permissible for Consortium agents or representatives to bolster the Gulf Consortium's position with unsupportable claims. Similarly, absent appropriate approval, there will be no use of government-owned equipment for purposes other than its intended contractual use.

In any transaction involving the United States Government, Consortium Directors, employees, contractors, consultants, and agents must comply with the provisions of the Truth in Negotiations Act, 10 U.S.C. § 2306. All "cost and pricing data" on Federal projects must be accurate, current, and complete, and records of such information must be retained. Further, it is a fundamental principle of the United States procurement process that government contractors must not improperly obtain, use, or disclose source selection or proprietary information.

The Gulf Consortium will neither give nor encourage anyone else to give inducements to governmental employees or contractors for the purpose of obtaining favorable treatment in connection with a contract or subcontract. Further, the Gulf Consortium shall not contribute or donate, or commit to contribute or donate, Gulf Consortium funds, services, or other resources for any political cause, party, or candidate. However, Gulf Consortium Directors, employees, contractors, consultants, and agents may make voluntary personal contributions to any lawful political causes, parties, or candidates as long as such individuals do not represent that such contributions come from the Gulf Consortium.

C-7. WHISTLEBLOWER PROTECTION POLICY

The Gulf Consortium is committed to providing an environment in which there is open discussion of operations and practices. Accordingly, any person, including any Gulf Consortium Director, employee, contractor, consultant, or agent who has reason to believe the Gulf Consortium or any of its Directors, employees, contractors, consultants, and agents are violating or not complying with State or Federal statutes, rules, or regulations is encouraged to report such concerns to the Consortium's General Manager or General Counsel.

The Gulf Consortium shall fully comply with Florida's "Whistle-blower's Act," codified at sections 112.3187 to 112.31895, Florida Statutes. Pursuant to such Act, no adverse personnel action shall be taken against any person who reports suspected misconduct, fraud, gross mismanagement, or abuse, irrespective of whether the information contained in the report is ultimately substantiated. Adverse personnel action includes but is not

limited to termination, demotion, suspension, transfer, reduction in salary or benefits, harassment, or any other type of discrimination or adverse action. The whistleblower protections contained herein shall also apply to personnel employed by Gulf Consortium contractors and consultants.

Complaints should be submitted to:

ATTN: Gulf Consortium General Manager
The Balmoral Group
165 Lincoln Avenue
Winter Park, FL 32789
Phone: 407-629-2185
Email: Gulf.Consortium@balmoralgroup.us

OR

~~NGN contact info~~ATTN: Lynn Hoshihara and Evan Rosenthal
Nabors, Giblin & Nickerson, P.A.
1500 Mahan Dr, STE 200
Tallahassee, FL 32308
850-224-4070

INTERNAL CONTROLS POLICY

for

The Gulf Consortium

June ~~2021~~2022

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DEFINITIONS

The following terms defined in this section shall have the meanings set forth below whenever they appear in the Gulf Consortium Policies:

1. "Board" means the Board of Directors of the Gulf Consortium.

2. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

3. "Consortium" shall mean the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

4. "Data" means recorded information, regardless of form or characteristic.

5. "Fiscal Agent" shall refer to the part designated and contractually retained to perform cash receipt and disbursement activities related to Treasury funds.

6. "General Counsel" shall refer to the person or persons retained to provide legal counsel to the Consortium.

7. "General Manager" shall refer to the staff so designated by the entity contracted to provide General Manager services for the Consortium.

8. "Member County" shall mean a county which is a member of the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

9. "Procurement" means buying, procuring, leasing, or otherwise acquiring any materials, supplies, services, or equipment. It also includes all functions that pertain to the obtaining of any material, supplies, services, construction, and equipment, including description of specifications and requirements, selection and solicitation of resources, preparation, and award of contract.

10. "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than those which is not defined as supplies and which are merely incidental to the required performance.

11. "Specification" means any description of the physical or functional characteristics of

the nature of a material, supply, service, construction, or equipment item. It may include a description of any requirement for inspection, testing, recycled, or degradable materials content, or preparing a material, supply, service, construction, or equipment item for delivery.

IC-1. BACKGROUND

The Gulf Consortium has established internal controls in order to maintain accuracy and transparency concerning financial disclosures and to achieve fiduciary accountability. The Consortium is responsible for:

a. Fiscally managing and safeguarding SEP funds as well as any funds received from other sources;
b. Disbursing funds to sub-recipients in a timely manner for reimbursement of eligible project expenditures;
c. Keeping accurate and up-to-date records of all financial transactions related to project activities;
d. Assisting member county staff with monitoring and evaluation of their sub-awards; and
e. Aiding county staff in understanding and complying with financial controls and procedures necessary to ensure effective stewardship of the Florida SEP funds.

IC-2. INTERNAL CONTROL SYSTEM

The Consortium's internal control system has been modeled in accordance with the Committee of Sponsoring Organizations (COSO) internal control framework and the five inter-related components including:

a. Risk assessment
b. Control environment
c. Control activities
d. Information and communication
e. Monitoring

IC-2.1 The Consortium will evaluate each of the above categories on a regular basis to adjust or change policies and procedures to enhance the internal control policy. **Figure IC-1** illustrates the process.

Figure IC-1. Gulf Consortium Internal Framework

IC-3. RISK ASSESSMENT

The initial task in risk assessment involves identifying, analyzing, and categorizing the various risks facing the Consortium. The identification process examines both internal and external events or circumstances that could adversely affect the Consortium's ability to carry out its fiduciary responsibilities. Several risks have been identified, along with accordant mitigating factors. The risks to the Consortium include:

a. The lack of traditional infrastructure consisting of staff and administrative support is an inherent risk for the Consortium. This risk is being mitigated with the careful selection of vendor support with cooperation from members of the Board and potential use of member county's staff and other resources. Key personnel have clearly defined duties and possess adequate knowledge and expertise to perform their duties.

b. Due to the lack of traditional infrastructure, the Consortium has developed formal processes to logistically manage numerous grants concurrently. The Consortium uses grant management software and financial accounting software in with embedded controls to reduce risk of misreporting and enhance transparency in financial disclosures.

c. The size of the control environment involves multiple counties and is considered an inherent risk for the Consortium. To mitigate this risk, the grant management policies and procedures established by the Consortium require uniformity among member counties and a high level of transparency and adherence to such policies. Training and

ongoing compliance monitoring is required with respect to sub-recipient grant milestone completion and disbursement requests.

IC-3.1 The Consortium will continue to monitor, develop, and combat risks as they are identified in the control environment.

IC-4~~3~~. CONTROL ENVIRONMENT

The internal control environment for the Consortium begins with the Board and extends to all Consortium vendors and consultants as well as member county staff. The Consortium follows the five principles requisite to a sufficient control environment;

IC-4~~3~~.1 The Consortium demonstrates a commitment to integrity and ethical values, as evidenced by its Code of Conduct.

IC-4~~3~~.2 The Board demonstrates independence from management in exercising oversight of the development and performance of internal control over financial reporting. An example is a meeting at least annually between the audit committee and external auditors without management present.

IC-4~~3~~.3 With oversight from the Board, management establishes structures, reporting lines, and appropriate authorities and responsibilities to achieve financial reporting objectives. For example, processes are established in the Procurement Policy and Grants Manual to ensure related-party transactions are identified and disclosed.

IC-4~~3~~.4 The Consortium demonstrates a commitment to attract, develop, and retain competent individuals in alignment with financial reporting objectives. The Consortium has hired vendors through a competitive bidding process which are required to carry out their part of the internal controls and to report any areas they view as deficiencies. Vendors of the Consortium are governed by respective policies depending on their working relationship with the Consortium and are required to familiarize themselves with pertinent policies, including policies relating to subrecipients, procurement, and conduct. Vendors are required to report any control deficiencies to the Consortium's General Manager and/or General Counsel.

IC-4~~3~~.5 The Consortium holds individuals accountable for their internal control responsibilities. Vendors are retained through contracts which allow for termination for non-performance.

IC-4~~3~~.6 The Consortium's internal control activities include written policies, procedures, techniques, and mechanisms that help ensure the Board's directives are carried out in compliance with the RESTORE Act criteria as well as other applicable State and Federal

law. Control activities are intended to identify, prevent, or reduce risks. Control activities occur throughout the Consortium's financial department, at all levels and in all functions. Control activities include things such as:

a. Approvals
b. Authorizations
c. Verifications
d. Reconciliations
e. Documentation
f. Separation of duties
g. Safeguarding of assets

IC-4~~3~~.7 For each transaction cycle, the flow of information through the process and the internal control activities taken is documented and analyzed. Depending on the transaction at hand, documentation may include organizational charts, standard operation procedures, manuals, flowcharts, decision tables, questionnaires, and/or review checklists.

~~IC-4. RISK ASSESSMENT~~

~~The initial task in risk assessment involves identifying, analyzing, and categorizing the various risks facing the Consortium. The identification process examines both internal and external events or circumstances that could adversely affect the Consortium's ability to carry out its fiduciary responsibilities. Several risks have been identified, along with accordant mitigating factors. The risks to the Consortium include:~~

~~a. The lack of traditional infrastructure consisting of staff and administrative support is an inherent risk for the Consortium. This risk is being mitigated with the careful selection of vendor support with cooperation from members of the Board and potential use of member county's staff and other resources. Key personnel have clearly defined duties and possess adequate knowledge and expertise to perform their duties.~~

~~b. Due to the lack of traditional infrastructure, the Consortium has developed formal processes to logistically manage numerous grants concurrently. The Consortium has requisitioned uses grant management software and financial accounting software in order to with embedded controls to reduce risk of misreporting and enhance transparency in financial disclosures. The Consortium will own and operate these systems with the support of a General Manager and other vendors and consultants.~~

~~c. The size of the control environment involves multiple counties and is considered an inherent risk for the Consortium. To mitigate this risk, the grant management policies and procedures established by the Consortium require uniformity among member counties and a high level of transparency and adherence to such policies. Training and ongoing compliance monitoring is required with respect to sub-recipient grant milestone completion and disbursement requests.~~

~~IC-4.1 The Consortium will continue to monitor, develop, and combat risks as they are identified in the control environment.~~

IC-5. CONTROL ACTIVITIES

IC-5.1 SEGREGATION OF DUTIES

IC-5.1.1 To maintain effective internal controls, the Consortium has created a system of internal checks and balances among the entities performing contract administration and financial duties for SEP related projects, programs, and activities.

IC-5.1.2 Duties and tasks related to financial reporting and analysis are segregated to ensure dual controls and proper oversight. Two individuals are required for oversight of all administrative activities that involve confidential or valuable assets, such as opening of bids or handling deposits. For cash management, a designated fiscal agent manages any grant funds received from the RESTORE Council, allowing for an additional layer of protection for the Consortium's assets. The Consortium has instituted firewalls (using a fiscal agent) between the approval of disbursements and access to funding.

IC-5.2 INDEPENDENT FINANCIAL AUDITING

The Consortium is subject to annual audits conducted by independent auditors which evaluate the presentation of financial statements as well as the effectiveness of internal controls based upon widely held government standards including, but not limited to, 2 CFR Part 200 and the Single Audit Act of 1996.

IC – 5.2.1 Effective financial controls depend on clear policies and procedures for different areas of activity, such as cash management procedures (e.g., requests for funds, project budgets, and disbursement of funds); procurement policies which follow appropriate laws, regulations, and policies; and administrative policies, such as procedures review policies.

IC-5.2.2 Federal Single Audit Act

Federal audit and annual reporting requirements are contained in 2 CFR 200 Subpart F. Non-federal entities expending $750,000 or more in a year in federal awards are required to have a single or program-specific audit conducted for that year, performed by an outside auditor. It is important that all grant activity and any changes to the grant are well documented to facilitate any audit. Audit findings made during the audit are provided to the grantor, which could prompt an audit by the grantor.

The following list contains the fourteen types of compliance requirements considered in every audit conducted under 2 CFR Part 200, Subpart F, which help to form the basis for the system of internal controls developed by the Consortium:

a. Activities: Allowed or Unallowable

b. Allowable Costs/Cost Principles
c. Cash Management
d. Eligibility
e. Equipment and Real Property Management
f. Matching, Level of Effort, Earmarking
g. Period of Availability of Federal Funds
h. Procurement, Suspension and Debarment
i. Program Income
j. Reporting
k. Subrecipient Monitoring
l. Special Tests and Provisions

IC-5.2.3 Florida Single Audit Act

The Consortium will also adhere to the Florida Single Audit Act, which establishes uniform audit requirements for state financial assistance, and follows the same cost principles and requirements established in the Federal Single Audit Act.

IC-5.2.4 Audit Deficiencies

If any internal or external audit should identify deficiencies, the Consortium shall develop responses to the observations identified in the audit and develop corrective actions to remediate the identified deficiencies.

The Audit Committee and/or General Manager will annually confirm the status of corrective actions taken in response to identified deficiencies and shall inform the Board when all such deficiencies have been satisfactorily remediated.

The Audit Committee and/or Procedures Review Committee will annually review the Consortium's grant processes and procedures and recommend improvements to reduce risk to the Consortium. Such reviews are designed to provide the opportunity to make amendments to existing policies in order to address new federal, state, and local regulations as well as improve efficiency in operations. Areas reviewed include, but are not limited to: internal controls, risk, grant compliance, distribution of grant related information and grant related training.

IC-65. ~~COMMUNICATION AND INFORMATION~~INFORMATION AND COMMUNICATION

IC-65.1 The Consortium is committed to transparency with the public, RESTORE Council, its member counties, and other stakeholders with respect to financial reporting on SEP related projects, programs, and activities. The Consortium's website provides detailed information regarding the status of Consortium funding and activities, including the status of projects included in the SEP.

IC-6~~5~~.2 The Consortium's financial system provides procedures to ensure that each member county and sub-recipient receives relevant, valid, reliable, and timely communications.

IC-6~~5~~.3 The Consortium's grant management system is designed to allow member counties to obtain reliable and timely information so that they can make informed decisions, analyze any risks, and communicate actions and other important information to the Consortium.

IC-6~~5~~.4 The Consortium shall provide monthly financial reports for review by the Board at each Board meeting.

IC-6~~5~~.5 All reported potential improprieties are reviewed, investigated, and resolved in a timely manner. Management has developed communication approaches through policy adoption that specify individual responsibilities in dealing with inappropriate behavior.

IC-7~~6~~. MONITORING

Monitoring of the internal control system will continually be performed to assess whether controls are effective and operating as intended. The Consortium's monitoring structure is built into normal, recurring intervals and is designed to provide feedback on a timely basis. Such monitoring will be carried out by the General Manager, the Audit Committee, and the Procedures Review Board at least annually. Ongoing monitoring occurs through routine managerial activities such as supervision, reconciliations, checklists, comparisons, performance evaluations, and status reports.

IC-7~~6~~.1 Any deficiencies found during monitoring will be reported to the Audit Committee. General Manager and/or General Counsel. The monitoring process will also include analysis of whether exceptions are being reported and resolved quickly.

IC-8~~7~~. ~~-~~FINANCIAL REPORTING

Financial reporting within the Consortium is a critical component in evaluating the progress financially and programmatically within the sub-recipient grants. It is imperative that the Consortium Board and the public receive timely, accurate and complete financial reporting information. Financial reports ~~will~~ provide the General Manager and the Board with critical data to assess progress and performance of project grants. ~~measure the goals and objectives of the grants overseen by the Consortium.~~

IC-8~~7~~.1. The basic principles of sound financial management include, but are not limited to, tight internal controls, financial transparency, segregation of duties, and independent external auditing. By integrating these processes into the administrative and fiduciary functions of the organization, the Consortium can ensure timely, accurate, and complete reporting throughout the SEPs lifecycle.

The Consortium's financial control system consists of both preemptive controls (created to prevent errors or fraud) and detective controls (designed to identify an error or fraud after it has occurred). The processes created by the Consortium are designed to provide reasonable assurance in the reliability of project financial reporting.

IC-8~~7~~.1.1 The financial control system includes multiple protections of public funds including:

a. Procedures that provide for appropriate segregation of duties to reduce the risk of asset loss or fraud.
b. Defined roles for the proper consultants and employees to authorize and record financial transactions.
c. Subrecipient training for member county staff performing their duties and functions as they relate to sub-award grant funds. The Consortium will require sub-recipients to operate and use Consortium resources with minimal potential for waste, fraud, and mismanagement.

IC-8~~7~~.2. The principles of sound financial management are designed so the Consortium will be able to:

a. Ensure that funds are spent in accordance with the respective grant awards and State and Federal law.
b. Prevent fraud and reduce or eliminate fiduciary risk and financial loss.
c. Maintain compliance with the financial documentation and reporting requirements contained in the RESTORE Act.
d. Create a uniform financial standard for member counties through the templates provided as part of regular financial reporting from subrecipient counties to the Consortium.
e. Ensure that financial reports and disclosures are accurate, complete, and reliable.

~~**IC-8. SEGREGATION OF DUTIES**~~

~~IC-8.1 To maintain effective internal controls, the Consortium has created a system of internal checks and balances among the entities performing contract administration and financial duties for SEP related projects, programs, and activities.~~

~~IC-8.2 Duties and tasks related to financial reporting and analysis are segregated to ensure dual controls and proper oversight. Two individuals are required for oversight of all administrative activities that involve confidential or valuable assets, such as opening of bids or handling deposits. For cash management, a designated fiscal agent manages any grant funds received from the RESTORE Council, allowing for an additional layer of protection for the Consortium's assets. The Consortium has instituted firewalls (using a fiscal agent) between the approval of disbursements and access to funding.~~

~~**IC-9. INDEPENDENT FINANCIAL AUDITING**~~

~~The Consortium is subject to annual audits conducted by independent auditors which evaluate the presentation of financial statements as well as the effectiveness of internal controls based upon widely held government standards including, but not limited to, 2 CFR Part 200 and the Single Audit Act of 1996.~~

~~IC – 9.1 Effective financial controls depend on clear policies and procedures for different areas of activity, such as cash management procedures (e.g., requests for funds, project budgets, and disbursement of funds); procurement policies which follow appropriate laws, regulations, and policies; and administrative policies, such as procedures review policies.~~

~~IC – 9.2 Federal Single Audit Act~~

~~Federal audit and annual reporting requirements are contained in 2 CFR 200 Subpart F. Non-federal entities expending $750,000 or more in a year in federal awards are required to have a single or program-specific audit conducted for that year, performed by an outside auditor. It is important that all grant activity and any changes to the grant are well documented to facilitate any audit. Audit findings made during the audit are provided to the grantor, which could prompt an audit by the grantor.~~

~~The following list contains the fourteen types of compliance requirements considered in every audit conducted under 2 CFR Part 200, Subpart F, which help to form the basis for the system of internal controls developed by the Consortium:~~

~~a. Activities: Allowed or Unallowable~~
~~b. Allowable Costs/Cost Principles~~
~~c. Cash Management~~
~~d. Eligibility~~
~~e. Equipment and Real Property Management~~
~~f. Matching, Level of Effort, Earmarking~~
~~g. Period of Availability of Federal Funds~~
~~h. Procurement, Suspension and Debarment~~
~~i. Program Income~~
~~j. Reporting~~
~~k. Subrecipient Monitoring~~
~~l. Special Tests and Provisions~~

~~IC-9.3 Florida Single Audit Act~~

~~The Consortium will also adhere to the Florida Single Audit Act, which establishes uniform audit requirements for state financial assistance, and follows the same cost principles and requirements established in the Federal Single Audit Act.~~

~~IC-9.4 Audit Deficiencies~~

~~If any internal or external audit should identify deficiencies, the Consortium shall develop responses to the observations identified in the audit and develop corrective actions to remediate the identified deficiencies.~~

~~The Audit Committee and/or General Manager will annually confirm the status of corrective actions taken in response to identified deficiencies and shall inform the Board when all such deficiencies have been satisfactorily remediated.~~

~~The Audit Committee and/or Procedures Review Committee will annually review the Consortium's grant processes and procedures and recommend improvements to reduce risk to the Consortium. Such reviews are designed to provide the opportunity to make amendments to existing policies in order to address new federal, state, and local regulations as well as improve efficiency in operations. Areas reviewed include, but are not limited to: internal controls, risk, grant compliance, distribution of grant related information and grant related training.~~

SUBRECIPIENT POLICY

of

The Gulf Consortium

June 2022

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DEFINITIONS

The following terms defined in this section shall have the meanings set forth below whenever they appear in the Gulf Consortium Policies:

1. "Agreement/Contract" means all types of agreements, regardless of what they may be called, for the purchase or disposal of supplies, services, materials, equipment, or construction and which contain the terms and obligations of the business transaction.

2. "Board" means the Board of Directors of the Gulf Consortium.

3. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

~~4. "Commodity" means a product that the Gulf Consortium may contract for or purchase for the use and benefit of the Gulf Consortium. A specific item, it is different from the rendering of time and effort by a provider.~~

~~5.~~4. "Consortium" shall mean the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

5. "Council" shall mean the RESTORE Council.

6. "Contractor/Consultant" means any person having a contract with the Consortium.

7. "Data" means recorded information, regardless of form or characteristic.

8. "Designee" means a duly authorized representative of a person holding a superior position.

9. "Finance Manager" shall refer to the staff so designated by the entity contracted to provide accounting and financial management services for the Consortium.

10. "Negotiated Indirect Cost Rate" refers to an indirect cost rate that has been formally established with a federal agency in accordance with 2 CFR 200, Subpart F, Appendix 4, Section C.2.f., which states that provisional and final rates must be negotiated where neither predetermined nor fixed rates are appropriate. Counties may have a Negotiated Indirect Cost Rate (or NICRA) already established due to prior Federal Awards or other federally funded programs. Where counties do not have an established Indirect Cost Rate with a federal agency,

a De minimis 10% rate may be used. The 10% De minimis rate may be elected by an organization that has never received a negotiated indirect cost rate. 2 CFR 200, Subpart E, Section 200.414 (f) specifies that any non-Federal entity that has never received a negotiated indirect cost rate may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely.

11. "Person" means any business, individual, committee, club, other organization, or group of individuals.

12. "Procurement" means buying, procuring, leasing, or otherwise acquiring any materials, supplies, services, or equipment. It also includes all functions that pertain to the obtaining of any material, supplies, services, construction, and equipment, including description of specifications and requirements, selection and solicitation of resources, preparation, and Award of contract.

13. "Purchase Order" means that document used by the Consortium to request that a contract be entered into for a specified need, and may include, but not be limited to, the technical description of the requested item, delivery schedule, transportation, criteria for evaluation, payment terms, and other specifications.

14. "RESTORE ACT (Pot 3) funds" refers to the 30% of the Gulf Coast Restoration Trust Fund, established by the RESTORE Act, to fund economic and environmental recovery of the Gulf Coast region impacted by the Deepwater Horizon Oil Spill. Pot 3 funds are managed separately by each of the Gulf Coast states. The Gulf Consortium is Florida's designated agency to administer Pot 3 funds.

15. "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than those which is not defined as supplies and which are merely incidental to the required performance.

16. "Specification" means any description of the physical or functional characteristics of the nature of a material, supply, service, construction, or equipment item. It may include a description of any requirement for inspection, testing, recycled, or degradable materials content, or preparing a material, supply, service, construction, or equipment item for delivery.

17. "Subrecipient" means a Member County that receives a Subaward of RESTORE Act Funds from the Consortium for the performance of a project, or any portion thereof, described in the Florida State Expenditure Plan.

18. “Subrecipient Agreement” means an agreement entered into between the Consortium and a Member County governing the Subaward of RESTORE Act Funds received by the Consortium pursuant to such Member County.

S-1. BACKGROUND

This Subrecipient Policy is intended to ensure Subrecipient compliance with the Consortium's policies and procedures in order to expedite grant Award and funding activities. For purposes of this policy, the Consortium is the recipient of grant funds and the individual Counties are the Subrecipients. Compliance with federal funding rules, and in particular RESTORE Council policies, is a requirement for all Consortium grant Awards. RESTORE Council requires that Subrecipients must comply, and require each of their Subrecipients, contractors, and subcontractors employed in the completion of the activity, project, or program to comply with all applicable federal rules and regulations. 2 CFR Part 200 is the primary governing regulatory framework for federal grant activity. The Financial Assistance Standard Terms and Conditions are included as an appendix.

S-2. SCOPE OF WORK

The Subrecipient must only use funds obligated and disbursed under Award agreements for the purpose of carrying out activities described in the approved scope of work attached thereto. The Subrecipient must not incur or pay any expenses under the Award for activities not related to the attached approved scope of work unless the Consortium first approves an Award amendment explicitly modifying the approved scope of work to include those activities.

S-3. PERIOD OF PERFORMANCE; PRE-AWARD COSTS

The Subrecipient must use funds obligated and disbursed under the Award only during the period of performance specified in the Notice of Award, which is the time period during which the recipient may incur new obligations and costs to carry out the work authorized under the Award. The only exception is for costs incurred prior to the effective date of the Award, which are allowable only if:

a. The Consortium specifically authorized these costs in writing before they are incurred ;
b. Incurring these costs was necessary for the efficient and timely performance of the scope of work; and
c. These costs would have been allowable if incurred after the date of the Award.

S-4. INDIRECT COSTS

The Subrecipient may only charge indirect costs to the Award if such costs are allowable under 2 C.F.R. Part 200, subpart E (Cost Principles).

a. Indirect costs must be consistent with an accepted de minimis rate or the indirect cost rate agreement negotiated between the Subrecipient and its cognizant agency (defined as the federal agency that is responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, see 2 C.F.R. § 200.19) and must be included in the Subrecipient's budget.

a. Unallowable direct costs are not recoverable as indirect costs.
b. The maximum dollar amount of allocable indirect costs charged to an Award shall be the lesser of:
    i. The line item amount for the indirect costs contained in the approved budget, including all budget revisions approved in writing by the Consortium; or,
    ii. The total indirect costs allocable to the Award based on the indirect cost rate approved by a cognizant or oversight federal agency, or the de minimis rate, and applicable to the period in which the cost was incurred, provided that the rate is approved on or before the Award end date.

S-5. COST SHARING AND BUDGET LIMITATIONS

a. The Subrecipient is not required to contribute any matching funds. However, tracking of matching funds is a performance requirement of any Award that was made with a condition of additional funding. In the event that additional funding is not made available, the Subrecipient may be required to reimburse the Consortium for the Award.
b. The Subrecipient shall not request or receive additional funding beyond what was included in the approved application for the approved scope of work from any federal or non-federal source without first notifying the Consortium in writing.

S-6. PROGRAM INCOME

Any program income (defined in 2 C.F.R. § 200.307) generated by the recipient or the Subrecipient during the period of performance of the Award or Subrecipient agreement, as applicable, must be included in the approved budget and be used for the purposes and under the conditions of the Award, i.e. solely to accomplish the approved scope of work, or as otherwise authorized in writing by the RESTORE Council.~~these Standard Terms and Conditions and any Special Award Conditions, i.e. solely to accomplish the approved scope of work.~~

S-7. INCURRING COSTS OR OBLIGATING FEDERAL FUNDS BEYOND THE EXPIRATION DATE

The Subrecipient must not incur costs or obligate funds under an Award for any purpose pertaining to the operation of the activity, project, or program beyond the end of the period of performance. The only costs which are authorized for a period up to 90 days following the end of the period of performance are those strictly associated with close-out activities. Close-out activities are normally limited to the preparation of final progress, financial, and required audit reports unless otherwise approved in writing by the Consortium.

Under extraordinary circumstances, and at the Consortium's sole discretion, The Consortium may approve the Subrecipient's request for an extension of the 90-day closeout period.

S-8. TAX REFUNDS

Refunds of taxes paid under the Federal Insurance Contributions Act (FICA) and the Federal Unemployment Tax Act (FUTA) that are received by the Subrecipient during or after the period of performance must be refunded or credited to the Consortium if such taxes were paid out of RESTORE Act funds in accordance with 2 C.F.R. Part 200, subpart E (Cost Principles). The Subrecipient agrees to contact the Consortium immediately upon receipt of these refunds.

S-9. SUBAWARD REQUIREMENTS

a. Sub-subawards: Where authorized in an Award, Subrecipients may make sub-subawards to third party entities for the implementation of activities described in an Award. A Subrecipient that wishes to make a sub-subaward shall be responsible for evaluating the qualifications and capability of prospective sub-subrecipients to ensure their ability to successfully implement the SEP project or portion thereof. The Subrecipient shall be responsible for submitting appropriate information and documentation to the Consortium evidencing compliance with this requirement at or prior to submitting a grant application related to any SEP project to the Consortium.

b. The Consortium is obligated to perform all responsibilities required of a pass-through entity, as specified in 2 C.F.R. Part 200. As such, all Subrecipient agreements shall incorporate all the terms and conditions required by Council, including any Special Award Conditions, and must include the information contained in 2 C.F.R. §200.331. It is critical that Subrecipients understand the difference between compliance requirements of contractors versus subrecipients, and take appropriate measures to assess and monitor compliance throughout the award period.

c. The Consortium shall review and document each Subrecipient's risk of noncompliance with federal statutes, federal regulations, and the terms and conditions of the subaward for purposes of determining the appropriate Subrecipient monitoring strategy, as described in 2 C.F.R. § 200.331(b). The Consortium uses a ~~Risk~~ risk a~~A~~ssessment ~~Tool~~ tool to evaluate the internal controls and other methods of compliance in place at the Subrecipient level. The tool helps to establish appropriate risk ratings for purposes of monitoring award conditions and grant performance. Subrecipient counties that also have subrecipients are required to have written procedures in place to evaluate subrecipient risk, and monitor performance throughout the performance period.

d. The Consortium must monitor the Subrecipient's use of federal funds through reporting, site visits, regular contact, or other means to provide reasonable assurance that the Subrecipient is administering the subaward in compliance with the

RESTORE Act, Treasury's RESTORE Act regulations, the RESTORE Act Standard Terms and Conditions, Program-Specific Terms and Conditions, any Special Award Conditions, and the Subrecipient Agreement, and to ensure that performance goals are achieved.

e. The Consortium shall provide training and technical assistance to the Subrecipient as necessary.

f. The Consortium shall, if necessary, take appropriate enforcement actions against non-compliant Subrecipients.

g. The Consortium maintains a written Conduct policy governing the performance of its employees/consultants involved in executing the Award and administration of subawards.

S-10. RECIPIENT REPORTING AND AUDIT REQUIREMENTS

S-10.1 Financial and Milestones Reports

a. Subrecipients must submit a Financial Reporting Narrative Supplement and Milestones Report to the Consortium twice annually by dates provided by the Consortium to align with award-required reporting dates. Reports are due no later than 15 days following the end of each reporting period. Final reports must be submitted within 60 days after the end of the period of performance.

~~a. Subrecipients must submit a Financial Reporting Narrative Supplement and Milestones Report to the Consortium on a semi- annualtwice-annually basis for the periods ending February and August 31 (or June 30 and December 31, if instructed by the Consortium), by dates provided by the Consortium to align with award-required reporting dates. and a Milestones Report, unless otherwise specified in a special Award condition, for all active grants. Reports are due no later than 15 days following the end of each reporting period. Final reports must be submitted within 60 days after the end of the period of performance.~~

b. The subrecipient will submit the SF-425 to the Consortium by the date requested, and in turn, the Consortium Finance Manager will submit the Consortium's SF-425.

~~b. The subrecipient will submit the SF-425 to the Consortium by the date requested, and in turn, the Consortium Finance Manager will submit the Consortium's SF-425. and may need assistance from the Subrecipient to describe the use of all funds received.~~

~~c. The report must be signed by an authorized certifying official who is the employee authorized by the Subrecipient organization to submit financial data on its behalf.~~

~~d.~~c. The Subrecipient must submit all financial reports through the online grants management system unless otherwise specified by the Consortium in writing.

S-10.2 Performance Reports

1. The Subrecipient must submit an SF-PPR ("Performance Progress Report"), ~~on a semi-~~annually ~~basis~~ by dates provided by the Consortium to align with award-required reporting dates. ~~for the periods ending March 31 and September 30 (or June 30 and December 31, if instructed by Treasury), or any portion thereof, unless otherwise specified in a Special Award Condition~~. Reports are due no later than 15 days following the end of each reporting period, except the final report, which is due 60 days following the end of the period of performance.

2. The Subrecipient must submit all Performance Progress Reports ~~The Subrecipient must submit all performance reports in (a) above~~ through the online grants management system unless otherwise specified by the Consortium in writing, and the Subrecipient must complete these reports according to the instructions in the "Performance Report Form" available at:

   https://www.gulfconsortium.org/grant-resources.

S-10.3 Mid-Year Check-in Meetings

1. Mid-year check-ins will be scheduled to review project performance and financial accounting compliance about 6 months prior to each annual performance report. Subrecipients will be notified in writing by the Consortium to schedule a meeting with Gulf Consortium grant managers and finance managers.

~~2.~~1. ~~The Subrecipient must submit all performance reports in (a) above through the online grants management system unless otherwise specified by the Consortium in writing, and the Subrecipient must complete these reports according to the instructions in the "Performance Report Form" available at:~~

   ~~https://www.gulfconsortium.org/grant-resources.~~

S-10.~~3~~ 4 Interim Reporting on Significant Developments per 2 C.F. R. § 200.329~~(2)~~(e)

a. Events may occur between the scheduled performance reporting dates that have significant impact upon the activity, project, or program. In such cases, the Subrecipient must inform the Consortium as soon as the following types of conditions become known:

   i. Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

   ii. Favorable developments, which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

b. The Subrecipient must:

1) Promptly provide to the Consortium a copy of all state or local inspector general reports, audit reports other than those prepared under the Single Audit Act, and reports of any other oversight body, if such report pertains to an Award under any RESTORE Act component, including the Comprehensive Plan Component and Spill Impact Component.

2) Immediately notify the Consortium of any indication of fraud, waste, abuse, or potentially criminal activity pertaining to grant funds.

S-10.~~4~~ 5 Audit Requirements

The Subrecipient is responsible for complying with all audit requirements of the Single Audit Act and 2 C.F.R. Part 200 Subpart F – Audit Requirements.

S-10.~~5~~ 6 Operational Self-Assessment

The Subrecipient must submit an updated *Operational Self-Assessment form* no later than June 30th of each calendar year~~ for the duration of its active Awards~~. Only one *Operational Self-~~-~~Assessment* must be submitted per Subrecipient per year. In completing the form, the Subrecipient must note controls or activities that have changed from its previous submission. The Subrecipient must submit the *Operational Self-Assessment* electronically to gulfconsortium@balmoralgroup.us, unless otherwise specified in writing by the Consortium. The form may be downloaded at www.gulfconsortium.org.

S-11. FINANCIAL MANAGEMENT SYSTEM AND INTERNAL CONTROLS REQUIREMENTS~~; SUBCONTRACTING~~

a. Subrecipients must expend and account for Award funds in accordance with federal laws and procedures. In addition, all Subrecipients' financial management systems must be sufficient to:

i. Permit the preparation of accurate, current, and complete SF-425, SF-PPR, RESTORE Act Milestones Report, Financial Reporting Narrative Supplement and RESTORE Act Status of Performance Reports, as well as any additional reports required by any Special Award Conditions.

ii. Permit the tracing of funds to a level of expenditures adequate to establish that such funds have been used in accordance with all applicable federal, state, and local requirements, including the RESTORE Act, Treasury RESTORE Act regulations, the Standard Terms and Conditions, Program-Specific Terms and Conditions, any Special Award Conditions and the Subrecipient Agreement.

iii. Allow for the comparison of actual expenditures with the amount budgeted for each Award made to the Subrecipient by The Consortium under the

RESTORE Act.

iv. Identify and track all RESTORE Act Awards received and expended by the assigned grant project number, which will be assigned by the Consortium.

v. Record the source and application of funds for all activities funded by a Consortium Award, as well as all Awards, authorizations, obligations, unobligated balances, assets, expenditures, program income, and interest earned on federal advances, and allow users to tie these records to source documentation such as cancelled checks, paid bills, payroll and attendance records, contract agreements, etc.

vi. Ensure effective control over, and accountability for, all federal funds, and all property and assets acquired with federal funds. The Subrecipient must adequately safeguard all assets and ensure that they are used solely for authorized purposes.

~~vii.~~i. ~~Record Subrecipient time (if salary and fringe for Subrecipient personnel are included in the budget) in sufficient detail to document all work effort in a given time period. Where an employee works on single or multiple Awards (including federal and non-federal), a distribution of their salaries/wages and fringe benefits must be supported by a detailed job cost timesheet showing hourly work effort for all time in a pay period. All work effort must be clearly linked to each project and/or task in the pay period. Pay stubs reflecting total hours must match timesheets and be included in the documentation. Work effort should be recorded in a manner similar to that shown in the "Time and Attendance Record – sample form" on https://www.gulfconsortium.org/forms.~~

b. The Subrecipient must have in place written procedures to implement the requirements set forth in the Award Disbursement, as well as written procedures to determine the allowability of costs in accordance with 2 C.F.R. Part 200, subpart E (Cost Principles) and the terms and conditions of the Award.

c. The Subrecipient must establish and maintain effective internal controls over the Award in a manner that provides reasonable assurance that the Subrecipient is managing the Award in compliance with the RESTORE Act, Treasury's RESTORE Act regulations, the Standard Terms and Conditions, Program-Specific Terms and Conditions, any Special Award Conditions and Subrecipient Agreement. These internal controls shall be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Subrecipient must evaluate and monitor its compliance, and the compliance of

any Subrecipients, with the RESTORE Act, Standard Terms and Conditions, Program-Specific Terms and Conditions, any Special Award Conditions and Subrecipient Agreement, and promptly remedy any identified instances of noncompliance. When and if an instance of noncompliance cannot be remedied by the Subrecipient, the Subrecipient must promptly report the instance of noncompliance to the Consortium followed by submitting a proposed mitigation plan to the Consortium.

d. The Subrecipient must take reasonable measures to safeguard protected personally identifiable information (PII) consistent with applicable federal, state, and local laws regarding privacy and obligations of confidentiality.

~~d.~~e. Subcontracting; Competition.

i. All procurements by Subrecipients for work to be performed under an Award shall be conducted in a manner to provide, to the maximum extent practicable, open and free competition in accordance with the requirements of 2 C.F.R. §§ 200.317 through 200.327, "Procurement Standards." The Subrecipient shall be alert to organizational conflicts of interest as well as other practices that may restrict or eliminate competition.

ii. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or requests for proposals shall be excluded from competing for such procurements. Additionally, contractors that develop or assist with grant applications, planning/feasibility studies, project design, permitting, site investigation and analysis or that otherwise perform work for a Subrecipient that results in such contractor obtaining an unfair competitive advantage as to future stages of the implementation of the project in question shall be prohibited from competing for future procurements related to the project. Examples of situations considered to be restrictive of competition include, but are not limited to, those described in 2 C.F.R. § 200.319(b).

iii. Determination that a contractor has an unfair competitive advantage shall be made on a case by case basis. Initially, the Subrecipient shall submit a certification to the Consortium consistent with paragraph f. below providing its finding as to whether a competitive advantage exists, supporting documentation and explanation, and otherwise certifying that the procurement or prospective procurement complies with 2 C.F.R. §§ 200.317 - 200.327. The certification submitted by the Subrecipient shall be evaluated by the General Manager in coordination with the General Counsel, which may request such additional

information from the Subrecipient as deemed necessary prior to rendering a determination. Notwithstanding the General Manager's determination, in the event the Council, Department of the Treasury, or such other Federal entity having jurisdiction finds that funds paid to a contractor under an Award were improper for any reason, including for violation of 2 C.F.R. §§ 200.317 - 200.327, Subrecipient shall be solely liable for any such amounts and shall return the full amount of the funds in question to the Consortium promptly upon demand.

~~e.~~f. Procurement Process; Certification of Compliance with Procurement Standards. For all subcontracts for work to be performed under an Award, the Subrecipient shall submit a copy of each executed subcontract and documentation of the competitive procurement process pursuant to which the subcontractor was selected (e.g. invitation to bid, request for proposal, etc.) to the . For any new procurements to be conducted by a Subrecipient for work to be performed under an Award, the Subrecipient shall submit a copy of the complete solicitation package to the Consortium for review prior to advertising the solicitation. The Subrecipient shall also submit copies of all ranking/evaluation materials to the Consortium along with a copy of the final executed contract. All of the above-described documents and materials must be on file with the Consortium prior to the Subrecipient's submission of any invoices for subcontracted work. ~~Consortium prior to submitting any invoices for subcontracted work.~~ For each subcontract, the Subrecipient shall also submit a certification attesting to the Subrecipient's compliance with the requirements of 2 C.F.R. §§ 200.317 - 200.327.; see ___ ___Form provided by the Consortium at www.gulfconsortium.org/forms. Upon the General Manager's request, the Subrecipient shall also provide such supporting documentation, information, and explanation required to substantiate the Subrecipient's compliance with 2 C.F.R. §§ 200.317 - 200.327.

~~g.~~ Procurements Conducted Prior to Award. A Subrecipient shall be permitted to utilize a contractor that was procured prior to the Award date for work to be performed under an Award so long as such contractor was procured in a manner that complies with 2 C.F.R. §§ 200.317 - 200.327, and is not otherwise prohibited by state or federal law or regulation or the provisions of the Award. The Subrecipient shall submit the certification described in paragraph f. above attesting to its compliance with the requirements of 2 C.F.R. §§ 200.317 - 200.327 in the selection of such contractor. Subrecipients shall not be permitted to modify the scope of any prior-procured contract to include work to be performed under an Award that was not adequately described in the competitive solicitation pursuant to which the contractor was initially procured, nor may Subrecipients

otherwise evade competitive procurement requirements through the use of contracts procured prior to Award.

S-12. TIME AND ATTENDANCE REPORTING

i. Record Subrecipient time (if salary and fringe benefits for Subrecipient personnel are included in the budget) in sufficient detail to document all work effort in a given time period. Where an employee works on single or multiple Awards (including federal and non-federal), a distribution of their salaries/wages and fringe benefits must be supported by a detailed job cost timesheet showing hourly work effort for all time in a pay period. All work effort must be clearly linked to each project and/or task in the pay period. Pay stubs reflecting total hours must match timesheets and be included in the documentation. Work effort should be recorded in a manner similar to that shown in the "Time and Attendance Record – sample form" on https://www.gulfconsortium.org/forms.

S-~~12~~13. RECORDS RETENTION REQUIREMENTS

a. The Subrecipient must retain all records pertinent to the Award for a minimum of three years from the date of submission of the final expenditure report, or such other period of time as may be required by applicable state or federal law ~~period of three years, beginning on a date as described in 2 C.F.R. § 200.334 or longer if required by Florida State Law~~ or the awarding agency. While electronic storage of records (backed up as appropriate) is preferable, the Subrecipient has the option to store records in hardcopy (paper) format. For the purposes of this section, the term "records" includes but is not limited to:

   i. Copies of all contracts and all documents related to a contract, including the Request for Proposal (RFP), all proposals/bids received, all meeting minutes or other documentation of the evaluation and selection of contractors, any disclosed conflicts of interest regarding a contract, all signed conflict of interest forms, all conflict of interest and other procurement rules governing a particular contract, and any bid protests;

   ii. All documentation of site visits, reports, audits, and other monitoring of contractors (vendors) and Subrecipients;

   iii. All financial and accounting records, including records of disbursements to contractors (vendors) and Subrecipients, and documentation of the allowability of Administrative Costs charged to the Award;

   iv. All supporting documentation for the performance outcome and other

information reported on the Subrecipient's SF-425s, SF-PPRs, RESTORE Act Milestones Reports, Financial Reporting Narrative Supplement and RESTORE Act Status of Performance Reports; and

v. Any reports, publications, and data sets from any research conducted under the Award.

b. If any litigation, claim, investigation, or audit relating to the Award or an activity funded with Award funds is started before the expiration of the three-year period, the records must be retained until all litigation, claims, investigations, or audit findings involving the records have been resolved and final action taken.

c. If the Subrecipient is authorized to enter into contracts to complete the approved scope of work, the Subrecipient must include in its agreement with the contractor a requirement that the contractor retain all records in compliance with 2 C.F.R. § 200.334.

S.~~13~~14. THE FEDERAL GOVERNMENT'S RIGHT TO INSPECT, AUDIT, AND INVESTIGATE

S-~~13~~14.1 Access to Records

a. The Consortium, Council, the Treasury Office of Inspector General, and the Government Accountability Office have the right of timely and unrestricted access to any documents, papers or other records, including electronic records, of the Subrecipient that are pertinent to the Award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the Subrecipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained.

b. If the Subrecipient is authorized to enter into contracts to complete the approved scope of work, the Subrecipient must include in its contract a requirement that the contractor make available to the Consortium, Council, the Treasury Office of Inspector General, and the Government Accountability Office any documents, papers or other records, including electronic records, of the contractor that are pertinent to the Award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the contractor's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are retained.

S-~~13~~14.2 Access to the Subrecipient's Sites

The Consortium, Council, the Treasury Office of Inspector General, and Government Accountability Office shall have the right during normal business hours to conduct

announced and unannounced onsite and offsite physical visits of recipients and their Subrecipients and contractors corresponding to the duration of their records retention obligation for the Award.

S-~~14~~15. AWARD DISBURSEMENT

a. Unless otherwise specified in a Special Award Condition, the Consortium will require Award funds to be disbursed on a reimbursement basis. The Consortium may require pre-approval of drawdown requests. If the Consortium requires pre-approval of drawdown requests, the Consortium will provide the Subrecipient with instructions on what billing to submit. The Consortium will make payment within 30 calendar days after receipt of the billing, unless The Consortium determines the request to be improper or inaccurate, in which case payment will not be made.

b. To the extent available, the Subrecipient must disburse funds available from program income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments of Award funds.

c. The Consortium will use the Leon County Clerk of Court's office to disburse payment of Award funds via electronic funds transfer. All Award funds will be disbursed electronically using the Automated Clearing House (ACH) for next day or future day payments only. Subrecipients shall request their funding request via Form GC-1, which can be obtained at www.gulfconsortium.org. Awards paid through ACH may contain controls or withdrawal limits set by the Consortium.

d. The Subrecipient must minimize the time between the transfer of funds from the Consortium and the use of the funds by the recipient. The Subrecipient must make timely payment to contractors (vendors) in accordance with the contract provisions.

S-~~15~~16. EFFECT OF A GOVERNMENT SHUTDOWN ON DISBURSEMENTS AND THE AVAILABILITY OF TREASURY PERSONNEL

In the event of a federal government shutdown, Treasury will issue guidance to Council and in turn to the Consortium, who will in turn notify the Subrecipient concerning the expected effects on any Award.

S-~~16~~17. NOTIFICATIONS AND PRIOR APPROVAL

S-~~16~~17.1 Notifications

In addition to other notifications required under these Standard Terms and Conditions, the Subrecipient must promptly notify the Consortium in writing whenever any of the following is anticipated or occurs:

~~a. Except for changes described in (16.2) below, the Subrecipient may revise the budget without prior approval. If the Subrecipient alters the budget, the Subrecipient must provide a revised budget form (SF-424A or SF-424C, as~~

~~applicable) to the Consortium as an attachment to the SF-PPR, reflecting all budget revisions from the same period covered by the SF-PPR. Acceptance of such budget information does not constitute the Consortium's approval of the revised budget.~~

S-~~16~~17.2 Prior Approvals

a. The Subrecipient must obtain prior written approval from the Consortium whenever any of the following actions are anticipated:

   i. A change in the scope or the objective of the activity, project, or program (even if there is no associated budget revision requiring prior written approval);
   ii. A need to extend the period of performance;
   iii. A need for additional federal funds to complete the activity, project, or program;
   iv. The transfer of funds among direct cost categories or programs, functions, and activities if the Award exceeds the Simplified Acquisition Threshold (defined at 2 C.F.R. § 200.88) and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by Treasury;
   v. The subrecipient, transferring or contracting out of any work under the Award (this provision does not apply to the acquisition of supplies, material, equipment or general support services), unless described in the application and approved in the Award;
   vi. Any transfer between the non-construction and construction activities; and
   vii. The inclusion of costs that require prior approval in accordance with 2 C.F.R. Part 200, Subpart E—Cost Principles, unless described in the application and approved in the Award.

b. If requesting a no-cost extension to the Award, the request must be made no less than 120 days prior to the end of the period of performance for the Award. Any extension of the period of performance requires prior written approval from the Consortium.

S-~~17~~18. PROPERTY

S-~~17~~18.1 General Requirements

a. The Subrecipient must comply with the property standards at 2 C.F.R. §§ 200.310 - 200.316 for real property, equipment, supplies, and intangible property. The Subrecipient must also comply with the RESTORE Act requirements concerning the acquisition of land and interests in land at 31 C.F.R.

§ 34.803.

b. No real property or interest in real property may be acquired under the Award unless authorized in the approved scope of work.

S-~~17~~18.2 Supplies and Equipment

a. **Requirements:**

i. **Equipment and Supplies**: During the period of performance, the Subrecipient must seek disposition instructions from Treasury for equipment and/or unused or residual supplies acquired under the Award if the current fair market value of the equipment and/or unused or residual supplies is greater than $5,000 per unit. The Subrecipient must seek disposition instructions before disposing of the property by submitting a completed *SF-428 Tangible Personal Property Report* and *SF-428-C Disposition Request/Report*. Not later than 60 days after the end of the period of performance, the Subrecipient must submit to Treasury a completed *SF-428 Tangible Personal Property Report* and *SF-428-B Final Report Form* if the Subrecipient retains any equipment with a current fair market value greater than $5,000 per unit or a residual inventory of unused supplies exceeding $5,000 in total aggregate value upon termination or completion of the activity, project, or program and the equipment and/or supplies are not needed for any other federal Award.

S-~~18~~19. SUBRECIPIENT AGREEMENT AMENDMENTS AND CLOSEOUT

S-~~18~~19.1 Agreement Amendments

a. The terms of an Award may be amended if requested by a Subrecipient and approved in writing by both the Consortium and the Council. The Consortium reserves the right to unilaterally seek amendment to the terms of any Award if required by state or federal law or regulation.

b. Subrecipient agreement amendments must be requested in writing and must include an explanation for the reason the agreement should be amended.

c. Consistent with the Consortium's delegation of authority to the Chairperson to approve and execute subrecipient agreements between the Consortium and the member counties, upon recommendation by the General Manager (in consultation with the General Counsel where requested), the Chairperson shall be authorized to approve and execute amendments to subrecipient agreements as are appropriate to the circumstances of each individual project, so long as such changes are consistent with the terms of the Award and do not affect the substantive rights or remedies of the Consortium. Any proposed substantive or

material amendments to a subrecipient agreement shall require approval by the Consortium Board.

S-~~18~~19.2 Closeout

a. Within 60 calendar days after the end of the period of performance, the Subrecipient must submit ~~any outstanding SF-PPR and RESTORE Act Status of Performance reports~~a Final Performance Report, final milestones report and Financial Reporting Narrative Supplement, as well as the required reporting on contracts, if applicable~~, plus a final milestones report and Financial Reporting Narrative Supplement, unless the Subrecipient requests, and The Consortium approves, an extension.~~.

b. The Consortium will close out each Award when it determines that all applicable administrative actions and all required work of the Award have been completed.

c. The Subrecipient must liquidate all obligations incurred under the Award not later than 60 calendar days after the end of the period of performance, unless the Subrecipient requests, and Treasury approves, an extension.

d. Within 60 days after receipt of reports in paragraph (a) of this section, The Consortium will make upward or downward adjustments to the allowable costs, and then make prompt payment to the Subrecipient for allowable, unreimbursed costs.

e. The closeout of the Award does not affect any of the following:

   i. The right of The Consortium or Council to disallow costs and recover funds on the basis of a later audit or other review;

   ii. The obligation of the Subrecipient to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments;

   iii. The Subrecipient's obligations regarding audits, property management and disposition (if applicable), and records retention.

S-~~19~~20. STATE EXPENDITURE PLAN (SEP) AMENDMENTS

S-~~19~~20.1 SEP Amendment Process

An SEP amendment is required if there is either a change in scope (i.e., new project activity or increased size of project) or there are revisions requiring an increase in funds for a new activity or bigger project.

The following describes the general process for an SEP amendment:

1) Obtain approval from County BOCC for the proposed SEP project changes~~,~~;
2) Obtain Gulf Consortium approval to proceed with an SEP amendment (to ensure

efficiency and reduce frequency of amendments~~),~~);

3) Prepare the project narrative with sections corresponding to those in the SEP, and identify the projects proposed to be removed from the SEP, along with a brief discussion of the rationale for the change;~~,~~
4) Provide the SEP amendment to RESTORE Council for preview (optional);~~,~~
5) Present the draft SEP amendment to the Gulf Consortium with a request for action to make the SEP amendment available for public review~~,~~;
6) Make the draft SEP amendment public with a forum to receive comments for a 45-day period~~,~~;
7) Make any needed edits in response to comment period~~,~~;
8) Submit the SEP amendment to RESTORE Council after the 45-day comment period; this will include a statement of public participation and any necessary edits or responses to comments~~,~~;
9) After RESTORE Council reviews and approves the SEP amendment, the applications for funding can be submitted.

S-~~19~~20.1 Costs for SEP Amendments

Gulf Consortium costs for SEP amendments are grant eligible under SEP project 24-1: Adaptive Management and Compliance Project. If costs for a particular county's SEP amendment~~s~~ are unusually large (greater than $10,000), costs to that county can be "charged" under~~in~~ either of the following two options.

1) The county directly pays the Consortium for the costs related to the amendment. Under this option, the SEP amendment effort by Consortium contractors is invoiced to the Consortium rather than to RESTORE Council~~The county directly pays the Consortium through increased dues. The SEP amendment effort by Consortium contractors is invoiced to the Consortium rather than to RESTORE Council.~~

2) The SEP amendment effort by Consortium contractors is invoiced to RESTORE Council and funded via grant funds, and the county's total SEP project allocation is decreased by an amount equal to the SEP amendment costs. ~~The SEP amendment effort by Consortium contractors is invoiced to RESTORE Council, and the county associated with large costs has their SEP project amounts decreased by an amount equal to the SEP amendment costs.~~

S-21~~0~~. PROGRAM-SPECIFIC TERMS AND CONDITIONS – AWARDS UNDER POT 3

In addition to all the Standard Terms and Conditions described in Sections 3 to 18 of this document, all Subrecipient Agreements concerning the subaward of funds shall include the following program-specific terms and conditions:

a. Up to 100 percent of program income may be used to pay for allowable administrative costs, subject to the three percent (3%) cap.

Oil Spill Liability Trust Fund. The Subrecipient and its sub-Subrecipients and contractors must not seek any compensation for the approved program or project from the Oil Spill Liability Trust Fund. The Subrecipient must not use Consortium funds to fund activities for which any claim for compensation was filed and paid out by the Oil Spill Liability Trust Fund after July 6, 2012.

SUBCONSULTANT POLICY APPENDIX - STANDARD TERMS AND CONDITIONS

The following Financial Assistance Standard Terms and Conditions developed by the RESTORE Council will govern grants Awarded by the Consortium. In addition to these Standard Terms and Conditions, Special Terms and Conditions may apply to each grant as well.

1. **Statutory and National Policy Requirements**

The non-Federal entity[1] (also referred to as "recipient" or "grantee") and any Subrecipients must, in addition to the assurances made as part of the application, comply and require each of its contractors and subcontractors employed in the completion of the project to comply with all applicable statutes, regulations, executive orders (EOs), Office of Management and Budget (OMB) circulars, terms and conditions, and approved applications. This document provides the Gulf Coast Ecosystem Restoration Council ("Council") standard terms and conditions (ST&Cs) for all Council Awards. 2 CFR § 5900.101 provides the Council's adoption of 2 CFR Part 200, giving regulatory effect to the OMB guidance.

This Award is subject to the laws and regulations of the United States. Any inconsistency or conflict in terms and conditions specified in the Award will be resolved according to the following order of precedence: public laws, regulations, applicable notices published in the *Federal Register*, EOs, OMB circulars, the Council ST&Cs, and special Award conditions. Special Award conditions may amend or take precedence over the ST&Cs if and when so provided by the ST&Cs.

Certain of the ST&Cs contain, by reference or substance, a summary of the pertinent statutes or regulations published in the *Federal Register* or Code of Federal Regulations (C.F.R.), EOs, OMB circulars, or the assurances (Forms SF-424B and SF-424D). No such provision will be construed so as to be in derogation of, or an amendment to, any such statute, regulation, EO, OMB circular, or assurance.

2. **Programmatic Requirements**

The recipient must use funds only for the purposes identified in the grant Award agreement in accordance with the requirements in 31 C.F.R. § 34.803(d). All activities under the Award must meet the eligibility requirements of the Gulf RESTORE Program as defined in 31 C.F.R. §§ 34.201, 34.202 or 34.203, according to component.

[1] The OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards located at 2 C.F.R. part 200 uses the term "non-Federal entity" to generally refer to an entity that carries out a Federal Award as a recipient or Subrecipient. Because certain of the provisions of these ST&Cs apply to recipients rather than Subrecipients, or vice versa, for clarity, these ST&Cs use the terms "non-Federal entity", "recipient", and "Subrecipient." In addition, the OMB Uniform Guidance uses the term "pass-through entity" to refer to a non-Federal entity that makes a subAward.

2.1 Performance (Technical) Reports

a. Non-Federal entities must use OMB-approved government-wide standard information collections when providing financial and performance information and, as appropriate and in accordance with such information collections, are required to relate financial data to the performance accomplishments of the Federal Award. When applicable, recipients must also provide cost information to demonstrate cost effective practices (e.g., through unit cost data). The Non-Federal entity's performance will be measured in a way that will help the Council and other non-Federal entities to improve program outcomes, share lessons learned and spread the adoption of promising practices. Recipients will be provided with clear performance goals, indicators and milestones as described in 2 C.F.R. § 200.210 "Information contained in a Federal Award."

b. Recipients must submit performance (technical) reports, which may be Form SF-PPR "Performance Progress Report" or any successor form, or another format as required by the Council, to the Council- designated grants officer (Grants Officer). Performance reports should be submitted electronically, unless the recipient makes an arrangement with the Grants Officer for submission in hard copy (no more than one original and two copies) in accordance with the Award conditions.

c. Performance Reports must be submitted with the same frequency as the Federal Financial Report (Form SF-425), unless otherwise authorized by the Grants Officer. If events occur between scheduled performance reporting dates that have significant impact upon the activity, project or program, the recipient must notify the Grants Officer as soon as possible.

d. Performance (technical) reports shall contain brief information as prescribed in the *Uniform Administrative Requirements, Cost Principals and Audit Requirements for Federal Awards* (2 C.F.R. part 200, specifically 2 C.F.R. § 200.329) incorporated into the Award, unless otherwise specified in the Award provisions. Specifically, in the "performance narrative" (item 10 on the SF-PPR), the recipient must provide the following information.

1. Activities and Accomplishments:
   i. Summarize activities undertaken during the reporting period;
   ii. Summarize any key accomplishments, including milestones and metrics completed for the period;
   iii. List any contracts Awarded during the reporting period, along with the name of the contractor and its principal, the DUNS number of the contractor, the value of the contract, the date of Award, a brief description of the services to be provided, and whether or not local preference was used in the selection of the contractor;

and

iv. If the recipient is authorized to make subawards, list any subawards executed during the reporting period, along with the name of the entity and its principal, the DUNS number of the entity, the value of the agreement, the date of Award, and a brief description of the scope of work.

2. Adaptive Management:

   i. Indicate if any operational, legal, regulatory, budgetary, and/or ecological risks, and/or any public controversies, have materialized; if so, indicate what mitigation strategies have been undertaken to attenuate these risks or controversies; and

3. Summarize any challenges that have impeded the recipient's ability to accomplish the approved scope of work on schedule and on budget Findings/Events: Summarize any significant findings or events, if applicable.

4. Dissemination Activities: Describe any activities to disseminate or publicize results of the activity, project, or program, if applicable.

5. Monitoring:

   i. Describe all efforts taken to monitor contractor and/or Subrecipient performance, to include site visits, during the reporting period. For subawards, indicate whether the Subrecipient submitted an audit to the recipient, and if so, whether the recipient issued a management decision on any findings; and
   ii. Describe any other activities or relevant information not already provided.

6. Planned Activities: Summarize the activities planned for the next reporting period.

7. Attachments: List and attach any deliverables completed during the performance period or other materials to be submitted with the report.

2.2 Reporting on Real Property

In accordance with 2 C.F.R. § 200.330, the Federal Awarding agency or pass-through entity must require a non-Federal entity to submit reports at least annually on the status of real property in which the Federal government retains an interest, unless the Federal interest in the real property extends 15 years or longer. If the attached Federal interest is for a period of 15 years or longer, the Council or pass-through entity may, at its option, require the non-Federal entity to report at various multi-year frequencies as specified in the terms of the Award (e.g., every two years or every three years, not to exceed a five-year reporting period; or the Council

or pass-through entity may require annual reporting for the first three years of a Federal Award and thereafter require reporting every five years).

2.3 Unsatisfactory Performance

Failure to perform the work in accordance with the terms of the Award and maintain at least a satisfactory performance as determined by the Council may result in designation of the non-Federal entity as high risk and the assignment of special Award conditions or other further action as provided in Section B.06, "Non- Compliance with Award Provisions" below.

2.4 Programmatic Changes

The non-Federal entity shall report programmatic changes to the Grants Officer in accordance with 2 C.F.R. § 200.308, and shall request prior approvals in accordance with 2 C.F.R. § 200.407.

2.5 Other Federal Awards with Similar Programmatic Activities

The non-Federal entity shall immediately provide written notification to the Grants Officer in the event that, subsequent to receipt of the Council Award, other financial assistance is received to support or fund any portion of the scope of work incorporated into the Council Award. The Council will not pay for any costs that are funded by other sources.

2.6 Non-Compliance with Award Provisions

Failure to comply with any or all of the provisions of the Award may have a negative impact on future funding by the Council and may be considered grounds for any or all of the following actions: withholding of payments pending correction of the deficiency by the non-Federal entity and/or more severe enforcement action by the Council or pass-through entity in accordance with 2 C.F.R. § 200.339; disallowance of (that is, denial of both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance; suspension or termination of all or any portion of the Award; initiation of suspension or debarment proceedings as authorized under 2 C.F.R. part 180 and any Council regulations and policies promulgated pursuant to its authority (or in the case of a pass-through entity, recommendation that such a proceeding be initiated by the Council); withholding of further Awards for the project or program; or enforcement of other remedies that may be legally available. *See also* 2 C.F.R. §§ 200.339 through 200.343.

2.7 Prohibition against Assignment by the Non-Federal Entity

The non-Federal entity shall not transfer, pledge, hypothecate, mortgage, or otherwise assign the Award, or any interest therein, or any claim arising thereunder, to any party or parties, including without limitation any bank, trust company or other financing or financial institution, without the express written approval of the Grants Officer.

2.8 Disclaimer Provisions

a. The United States expressly disclaims any and all responsibility or liability to the non-

Federal entity or third persons for any actions of the non-Federal entity or third persons resulting in death, bodily injury, personal or property damage, or any other damage, loss or liability in connection with or resulting in any way from the performance of the Award or any subaward or subcontract under the Award.

b. Acceptance of this Award by the non-Federal entity does not in any way establish or constitute an agency relationship between the United States and the non-Federal entity.

3. Financial Requirements

3.1 Financial Reports

a. In accordance with 2 C.F.R. § 200.328, the Consortium Finance Manager shall submit a "Federal Financial Report" (Form SF-425 or any successor form, or another format as required by the Council) on a semi-annual basis. The subrecipient will be expected to provide any additional information the Finance Manager may need to complete the SF-425. Semi-annual reporting periods will be specified in the grant Award for either the periods ending March 31 and September 30, or any portion thereof, or June 30 and December 31, or any portion thereof, unless otherwise specified in a special Award condition. Reports are due no later than 10 days following the end of each reporting period. A final Form SF-425 shall be submitted within 45 days after the expiration of the project period.

b. The report will be submitted to Council electronically, unless other arrangements are made with Council for submission in hard copy (no more than one original and two copies), in accordance with the Award conditions.

c. The Finance Manager must report to the Council at the conclusion of the grant period, or other period specified by the Council, on the use of funds pursuant to the Award in accordance with the requirements in 31 C.F.R. § 34.803(e).

d. The recipient must forecast cash requirements/draws semi-annually, for the periods October 1 to March 31 and April 1 to September 30, throughout the life of the grant. Forecasted cash requirements must be updated with the submission of each "Federal Financial Report."

3.2 Financial Management

a. In accordance with 2 C.F.R. § 200.302(a), each State, including a state's administrative agents and the Gulf Consortium of Florida counties, must expend and account for the Federal Award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and other non-Federal entities' financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal Award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions – including preparation of accurate, current and complete

Performance (Technical) Report, reporting on subawards, and any additional reports required by any additional Award conditions. The financial management system also must be sufficient to trace funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations – including without limitation the Resources and Ecosystem Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act), Council and Treasury RESTORE Act regulations – and the terms and conditions of the Federal Award. *See also* 2 C.F.R. § 200.450 "Lobbying."

b. The financial management system of each non-Federal entity must provide all information required by 2 C.F.R. § 200.302(b) and maintain detailed records sufficient to account for the receipt, obligation and expenditure of grant funds in accordance with the requirements in 31 C.F.R. § 34.803(b). *See also* 2 C.F.R. §§ 200.334 "Retention requirements for records"; 200.335 "Requests for transfer of records"; 200.336 "Methods for collection, transmission and storage of information"; 200.337 "Access to records"; and 200.338 "Restrictions on public access to records." Specifically, the financial management system must provide for:

    1. Identification and tracking of all Council Awards received and expended by the Catalog of Federal Domestic Assistance (CFDA) title and number, Federal Award identification number and year, name of the Federal agency, and name of the pass-through entity, if any;
    2. Records that adequately identify the source and application of all funds for Federally-funded activities, including information pertaining to Federal Awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest, and are supported by source documentation; and
    3. Effective control over, and accountability for, all Federal funds, and all property and assets acquired with Federal funds. The recipient must adequately safeguard all assets and ensure that they are used solely for authorized purposes.

c. The recipient must establish written procedures to implement the requirements set forth in Subsection, C.03 "Award Payments," below, as well as written procedures to determine the allowability of costs in accordance with 2 C.F.R. Part 200, subpart E "Cost Principles," and the terms and conditions of this Award.

3.3 Award Payments

a. The reimbursement method of payment will be used under this Award, unless otherwise specified in a special Award condition. The Grants Officer will determine the appropriate method of payment. Payments are made through electronic funds transfers directly to the non-Federal entity's bank account and in accordance with the requirements of the Debt Collection Improvement Act of 1996 (31 U.S.C. § 3701 *et. seq.*) and the Cash Management Improvement Act (31 U.S.C. § 6501 *et. seq.*).

    1. Consistent with 2 C.F.R. § 200.305(a), for States, payments are governed by the

Treasury-State Cash Management Improvhement Act (CMIA) agreements and default procedures codified at 31
C.F.R. Part 205 "Rules and Procedures for Efficient Federal-State Funds Transfers" and Treasury Financial Manual Volume I, 4A-2000 "Overall Disbursing Rules for All Federal Agencies."

2. Consistent with 2 C.F.R. § 200.305(b), for non-Federal entities other than States, payment methods must minimize the amount of time elapsing between the transfer of funds from the U.S. Treasury or the pass-through entity and the disbursement by the non-Federal entity.

b. The Council Award Number must be included on all payment-related correspondence, information, and forms.

c. Unless otherwise provided for in the Award terms, payments under this Award will be made using the Department of Treasury's Automated Standard Application for Payment (ASAP)[2] system. Under the ASAP system, payments will be made through preauthorized electronic funds transfers in accordance with the requirements of the Debt Collection Improvement Act of 1996. Awards paid under the ASAP system will contain a special Award condition, clause or provision describing enrollment requirements and any controls or withdrawal limits set in the ASAP system. Recipients enrolled in the ASAP system are not required to submit a "Request for Advance or Reimbursement" (Form SF-270 or successor form), in order to receive payments relating to their Award. Pre-approval prior to requesting payments may be required for recipients that are determined by the Council to be in a high risk category or noncompliant (*see* 2 C.F.R. § 200.206 "Federal Awarding agency review of risk posed by applicants," and *see* section 13 "Remedies for Noncompliance" below).

   1. In order to receive payments under ASAP, recipients are required to enroll with the Department of Treasury, Financial Management Service, Regional Financial Centers, which enables them to use the on-line and Voice Response System (VRS) method of withdrawing funds from their ASAP established accounts.
   2. The following information will be required to make withdrawals under ASAP: (i) ASAP account number, i.e., the Federal Award number found on the cover sheet of the Award; (ii) Agency Location Code (ALC); and (iii) Region Code.

d. When expressly allowed through a special Award condition, advances shall be limited to the minimum amounts necessary to meet immediate disbursement needs, but in no event shall advances exceed the amount of cash required for a 30-day period. Funds advanced but not disbursed in a timely manner and any accrued interest thereon must be promptly returned to the Council. The Grants Officer may periodically request documentation from the non-Federal entity verifying that the elapsed time between the transfer of funds and disbursement has been minimized. If a non-Federal entity demonstrates an unwillingness

[2] Department of Treasury's Automated Standard Application for Payment (ASAP) system - https://www.fiscal.treasury.gov/fsservices/gov/pmt/asap/asap_home.htm, verified on 8/18/2015.

or inability to establish procedures that will minimize time elapsing between transfer of funds and disbursement or if the non-Federal entity otherwise fails to continue to qualify for the advance payment method, the Grants Officer may change the method of payment to reimbursement only.

e. Where the use of an alternative system other than ASAP is provided for in the Award terms, requests for payment will be submitted to the Grants Officer.
   1. Form SF-3881, "ACH Vendor/Miscellaneous Payment Enrollment Form," must be completed before the first Award payment can be made via the "Request for Advance or Reimbursement" (Form SF-270) request.
   2. When advance payment is expressly allowed for by special Award condition, the non-Federal entity must submit the request no more frequently than monthly, and advances will be approved for periods to cover only expenses anticipated over the following 30 days. The non-Federal entity must complete the "ACH Vendor Miscellaneous Payment Enrollment Form" (Form SF-3881 or successor form), and Form SF-270, and submit those forms to the Grants Officer.

3.3 Federal and Non-Federal Sharing

a. Awards that include Federal and non-Federal sharing incorporate a budget consisting of shared allowable costs. If actual allowable costs are less than the total approved budget, the Federal and non- Federal cost shares shall be calculated by applying the approved Federal and non-Federal cost share ratios to actual allowable costs. If actual allowable costs are greater than the total approved budget, the Federal share shall not exceed the total Federal dollar amount authorized by the Award.

b. The non-Federal share, whether in cash or in-kind, is to be paid out at the same general rate as the Federal share. Exceptions to this requirement may be granted by the Grants Officer based on sufficient documentation demonstrating previously determined plans for, or later commitment of, cash or in-kind contributions. In any case the non-Federal entity must meet its cost share commitment over the life of the Award. The non-Federal entity must create and maintain sufficient records sufficient to justify all non-Federal sharing requirements and to facilitate questions and audits. *See* Section 9 "Audits" below for audit requirements, and *see* 2 C.F.R. § 200.306 for additional requirements regarding cost sharing.

3.4 Program Income

a. Non-Federal entities are encouraged to earn income to defray program costs where appropriate. Any program income shall be earned and applied consistent with the requirements of 2 C.F.R. § 200.307.

b. The recipient must maintain detailed records sufficient to account for the receipt, obligation, and expenditure of grant funds including the tracking of program income. Program income must be included in the non-Federal entity's approved budget and tracked in accordance with the requirements in 31 C.F.R. § 34.803(b).

c. All program income must be documented in the Federal financial report submitted to the

Council for the period in which the income was earned.

3.5 Budget Changes and Transfer of Funds among Categories

a. Requests for changes to the approved budget must be made in accordance with 2 C.F.R. § 200.308 "Revision of budget and program plans" and submitted in writing to the Grants Officer who will make the final determination on such requests and notify the non-Federal entity in writing thereof.
   1. Construction Awards. For construction Federal Awards, the non-Federal entity must request prior written approval promptly from the Grants Officer for budget revisions whenever one or more of the following applies:
      i. The revision results from changes in the scope or the objective of the project or program;
      ii. The need arises for additional Federal funds to complete the project; or
      iii. A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable OMB cost principles listed in 2 C.F.R. part 200, Subpart E— "Cost Principles."
   2. Non-Construction Awards. For non-construction Federal Awards, recipients must request prior written approval promptly from the Grants Officer for budget revisions whenever one or more of the following applies:
      i. Change in the scope or the objective of the project or program;
      ii. Change in a key person specified in the application or the Federal Award;
      iii. The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator;
      iv. The inclusion, unless waived by the Council, of costs that require prior approval in accordance with 2 C.F.R. part 200 Subpart E— "Cost Principles" or 45 C.F.R. Part 75 Appendix IX "Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals," or 48 C.F.R. Part 31 "Contract Cost Principles and Procedures," as applicable;
      v. The transfer of funds budgeted for participant support costs as defined in 2 C.F.R. § 200.75 "Participant support costs to other categories of expense";
      vi. The subawarding, transferring or contracting out of any work under a Federal Award unless (a) described in the application and funded in the approved Federal Award, or (b)applicable to the acquisition of supplies, material, equipment or general support services only; or
      vii. Changes in the amount of approved cost-sharing or matching provided by the non- Federal entity. No other prior approval requirements for specific items may be imposed unless a deviation has been approved by OMB. *See*

also 2 C.F.R. §§ 200.102 "Exceptions" and 200.407 "Prior written approval."

3. Both Construction and Non-Construction Activities in Award. If a single Award provides support for construction and non-construction work, the recipient must request prior written approval from the Grants Officer before making any fund or budget transfers between the two types of work supported.

b. In accordance with 2 C.F.R. § 200.308(f), transfers of funds by the recipient among direct cost categories are permitted for Awards in which the Federal share of the project is the Simplified Acquisition Threshold ($250,000 as of 11/01/20) or lessFor Awards in which the Federal share of the project exceeds the Simplified Acquisition Threshold, the recipient must request prior written approval from the Grants Officer for transfers of funds among direct cost categories when the cumulative amount of such direct cost transfers exceeds ten percent of the total budget[3] as last approved by the Grants Officer. The 10% threshold applies to the total Federal funds authorized by the Grants Officer at the time of the transfer request. The same requirements apply to the cumulative amount of transfer of funds among programs, functions, and activities. This transfer authority does not authorize the recipient to create new budget categories within an approved budget without the prior written approval of the Grants Officer. No transfer that enables any Federal appropriation, or part thereof, to be used for an unauthorized purpose will be permitted. The foregoing provision does not prohibit the recipient from requesting Grants Officer approval for revisions to the budget. *See* 2 C.F.R. § 200.308 (as applicable) for specific requirements concerning budget revisions and transfer of funds between budget categories.

c. The recipient is not authorized at any time to transfer amounts budgeted for direct costs to the indirect costs line item or vice versa without the prior written approval of the Grants Officer.

3.6 Indirect (Facilities and Administrative [F&A]) Costs

a. Indirect (facilities and administrative [F&A]) costs will not be allowable charges against an Award unless permitted under the Award, specifically included as a line item in the Award's approved budget and consistent with 2 C.F.R. §§ 200.414 "Indirect (F&A) costs" and Subpart E "Cost Principles."

b. Indirect costs of recipients are subject to the three percent (3%) cap on administrative expenses stated in 33 U.S.C. § 1321(t)(1)(B)(iii) and 31 C.F.R. § 34.204. The three percent cap on administrative expenses applies only to recipients and does not flow down to Subrecipients.

c. Excess indirect costs may not be used to offset unallowable direct costs.

d. Indirect costs charged must be consistent with the indirect cost rate agreement negotiated between the non-Federal entity and its cognizant agency (defined as the Federal agency

[3] The cumulative amount of direct cost transfers is calculated by summing the negative variances between the approved and proposed budgets. Variance is calculated by subtracting the proposed budget amount for each cost category from the approved budget amount for the category. Only variances less than zero are totaled. The cumulative negative variance is then divided by the total grant Award budget to determine the percentage transferred, i.e., cumulative % of transfer(s) = {[Σ (negative variances)] / total Award budget} x 100.

that is responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, *see* 2 C.F.R. § 200.19) and must be included in the recipient's budget. The Council will accept approved indirect cost rates unless otherwise authorized by a Federal statute or regulation, or requirements at 2 C.F.R. § 200.414(c) are met.

1. If indirect costs are permitted and the non-Federal entity wishes to include indirect costs in its budget, but the non-Federal entity has not previously established an indirect cost rate with a Federal agency, the requirements for determining the relevant cognizant agency and developing and submitting indirect (F&A) cost rate proposals and cost allocation plans are contained in Appendices III – VII to 2 C.F.R. Part 200 as follows:
    - Appendix III to 2 C.F.R. Part 200 – Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs);
    - Appendix IV to 2 C.F.R. Part 200 – Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations;
    - Appendix V to 2 C.F.R. Part 200 – State/Local Governmentwide Central Service Cost Allocation Plans;
    - Appendix VI to 2 C.F.R. Part 200 – Public Assistance Cost Allocation Plans; and
    - Appendix VII to 2 C.F.R. Part 200 – States and Local Government and Indian Tribe Indirect Cost Proposals.

    The cognizant agency for governmental units or agencies not specifically identified by OMB will be determined based on the Federal agency providing the largest amount of Federal funds. *See* 2 C.F.R. §200.416 "Cost allocation plans and indirect cost proposals." When the Council is not the oversight or cognizant Federal agency, the non-Federal entity shall provide the Grants Officer with a copy of a negotiated rate agreement or a copy of the transmittal letter submitted to the cognizant or oversight Federal agency requesting a negotiated rate agreement.
2. For those organizations for which the Council is cognizant or has oversight, the Council or its designee will either negotiate a fixed rate with carry-forward provisions for the non-Federal entity or, in some instances, will limit its review to evaluating the procedures described in the non- Federal entity's cost allocation plan. Indirect cost rates and cost allocation methodology reviews are subject to future audits to determine actual indirect costs.
3. Within 90 days after the Award start date, the non-Federal entity shall submit to the address listed below documentation (indirect cost proposal, cost allocation plan, etc.) necessary to perform the review. The non-Federal entity shall provide the Grants Officer with a copy of the transmittal letter.

Gulf Coast Ecosystem Restoration Council Office

Attn: Senior Grants Management Officer
500 Poydras Street, Suite 1117
New Orleans, LA 70130

If the non-Federal entity fails to submit the required documentation to the Council within 90 days of the Award start date, the Grants Officer may amend the Award to preclude the recovery of any indirect costs under the Award. If the Council, oversight or cognizant Federal agency determines there is a finding of good and sufficient cause to excuse the non-Federal entity's delay in submitting the documentation, an extension of the 90-day due date may be approved by the Grants Officer.

4. The non-Federal entity may use the fixed rate proposed in the indirect cost plan until such time as the Council provides a response to the submitted plan. Actual indirect costs must be calculated annually and adjustments made through the carry-forward provision used in calculating the following year's rate. This calculation of actual indirect costs and the carry-forward provision is subject to audit. Indirect cost rate proposals must be submitted annually. Organizations that have previously established indirect cost rates must submit a new indirect cost proposal to the cognizant agency within six months after the close of each of the recipients' fiscal years.

e. The maximum dollar amount of allocable indirect costs for which the Council will reimburse the non- Federal entity shall be the lesser of:
   1. The line item amount for the Federal share of indirect costs contained in the approved Award budget, including all budget revisions approved in writing by the Grants Officer; or
   2. The Federal share of the total indirect costs allocable to the Award based on the indirect cost rate approved by a cognizant or oversight Federal Agency for indirect costs and applicable to the period in which the cost was incurred, provided that the rate is approved in writing on or before the Award end date, subject to the three percent (3%) cap on administrative expenses provided in 33 U.S.C. § 1321(t)(1)(B)(iii) and 31 C.F.R. § 34.204.

f. In addition, a non-Federal entity that is a State, local government, Indian tribe, institution of higher education, or nonprofit organization and has never received a negotiated indirect cost rate may elect to charge a *de minimis* rate of 10% of modified total direct costs. *See also* 2 C.F.R. § 200.414(f).

3.7 Incurring Costs or Obligating Federal Funds Outside of the Period of Performance

a. The non-Federal entity shall not incur costs or obligate funds for any purpose pertaining to the operation of the project, program, or activities beyond the period of performance, i.e., the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal Award. *See* 2 C.F.R. §§ 200.77 and 200.309.

   1. The Council or pass-through entity must include start and end dates of the period of

performance in the Federal Award.

2. All activities supported through an Award must occur and be completed during the approved period of performance, whether funded directly or through a subaward or subcontract, and all obligated costs must be liquidated within 90 days following the end date of the period of performance.
3. The only costs which may be authorized for a period of not to exceed 90 days following the end of the project period are those solely associated with close-out activities. Close-out activities are limited to the preparation of final progress, financial, and required project audit reports unless otherwise approved in writing by the Grants Officer. The Grants Officer may approve extensions of the 90-day closeout period upon a request by the non-Federal entity as provided in 2 C.F.R. § 200.343.

b. Unless otherwise authorized in 2 C.F.R. § 200.344 or a special Award condition, any extension of the project period can only be authorized by the Grants Officer in writing. Verbal or written assurances of funding from anyone other than the Grants Officer shall not constitute authority to obligate funds for programmatic activities beyond the end of the project period.
c. Pre-Award Costs. Pre-Award costs are those incurred prior to the effective date of the Federal Award directly pursuant to the negotiation and in anticipation of the Federal Award where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal Award and only with the written approval of the Grants Officer. The recipient must use funds obligated and disbursed under the Award only during the period of performance specified in the Award document. *See* 2 C.F.R. § 200.458.
d. The Council has no obligation to provide any additional prospective funding. Any amendment of the Award to increase funding and to extend the project period is at the sole discretion of the Council.

3.8 Tax Refunds

Refunds of Federal Insurance Contributions Act (FICA) (26 U.S.C. §§ 3101-3128) or Federal Unemployment Tax Act (FUTA) (26 U.S.C. §§ 3301-3311) taxes received by the non-Federal entity during or after the period of performance must be refunded or credited to the Council whenever the benefits were financed with Federal funds under the Award. The non-Federal entity shall contact the Grants Officer immediately upon receipt of these refunds. The non-Federal entity shall in addition refund portions of FICA/FUTA taxes determined to belong to the Federal Government, including refunds received after the period of performance ends.

4. Internal Controls

Consistent with 2 C.F.R. § 200.303, each non-Federal entity:

1. Must establish and maintain effective internal control over the Federal Award that

provides reasonable assurance that the non-Federal entity is managing the Federal Award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal Award. These internal controls must be in compliance with guidance in "Standards for Internal Control in the Federal Government"[4] issued by the Comptroller General of the United States or the "Internal Control Integrated Framework,"[5] issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

2. Must comply with Federal statutes, regulations, and the terms and conditions of the Federal Award.
3. Must evaluate and monitor the non-Federal entity's compliance with statute, regulations and the terms and conditions of Federal Award.
4. Must take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
5. Must take reasonable measures to safeguard protected personally identifiable information and other information the Council or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state and local laws regarding privacy and obligations of confidentiality.

5. Property Standards

5.1 Standards

The non-Federal entity must comply with the property standards as stipulated in 2 C.F.R. §§ 200.310 to 200.316.

5.2 Insurance coverage

Recipients must provide insurance coverage for real property and equipment acquired or improved with Federal funds equivalent to that provided for property owned by the non-Federal entity. Federally-owned property need not be insured unless required by the terms and conditions of the Federal Award. *See* 2 C.F.R. § 200.310.

5.3 Real Property

a. Real property or an interest in real property may not be acquired under an Award without prior written approval of the Grants Officer.
b. Title of real property. Subject to the obligations and conditions set forth in this section, title to real property acquired or improved under a Federal Award will vest upon acquisition in the non-Federal entity.
c. Use. Except as otherwise provided by Federal statutes or by the Council, real property must be used for the originally authorized purpose as long as needed for that purpose, during which time the non- Federal entity must not dispose of or encumber its title or any other interest therein.
d. Willing Sellers. Land or interest in land may only be acquired by purchase, exchange

[4] "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States - http://www.gao.gov/assets/80/76455.pdf, verified on 8/18/2015.
[5] "Internal Control Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), Executive Summary - http://www.coso.org/documents/Internal%20Control-Integrated%20Framework.pdf, verified on 8/18/2015.

or donation from a willing seller in accordance with the requirements in 31 C.F.R. § 34.803(f).

e. Federal Acquisitions. Funds may not be used to acquire land in fee title by the Federal Government unless the exceptions in 31 C.F.R. § 34.803(g) are met.

f. Disposition. When real property is no longer needed for the originally authorized purpose, the non- Federal entity must obtain disposition instructions from the Council or pass-through entity. The instructions will provide that the non-Federal entity do one of the following:

   1. Retain title after compensating the Council. The amount paid to Council will be computed by applying the Council's percentage of participation in the cost of the original purchase (and costs of any improvements) to the fair market value of the property. However, if the non-Federal entity is disposing of real property acquired or improved with a Federal Award and acquiring replacement real property under the same Federal Award, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
   2. Sell the property and compensate the Council. The amount due to the Council will be calculated by applying the Council's percentage of participation in the cost of the original purchase (and cost of any improvements) to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the Federal Award has not been closed out, the net proceeds from sale may be offset against the original cost of the property. When the non-Federal entity is directed to sell property, it must utilize sales procedures that provide for competition to the extent practicable and result in the highest possible return.
   3. Transfer title to the Council or to a third party designated or approved by the Council. The non- Federal entity is entitled to be paid an amount calculated by applying the non-Federal entity's percentage of participation in the purchase of the real property (and cost of any improvements) to the current fair market value of the property.

g. The Grants Officer may require the non-Federal entity to submit the Tangible Personal Property Report (Form SF-428 or successor form), and/or Real Property Status Report (Form SF-429 or successor form), including applicable attachments to each form, in connection with the reporting of tangible personal property or of real property acquired or improved, in whole or in part, under a Council financial assistance Award. The Grants Officer may also require the non-Federal entity to submit Form SF-428 and/or Form SF-429, or successor forms, in connection with a non-Federal entity's request to acquire, encumber, dispose of, or take any other action pertaining to tangible personal property or to real property acquired or improved, in whole or in part, under a Council financial assistance Award.

5.4 Federally-owned and Exempt Federally-owned Property

a. Title to Federally-owned property[6] remains vested in the Federal government. The non-

[6] Federally-owned property as defined in 2 C.F.R. § 200.312 means property acquired under a Federal Award where

Federal entity must submit annually an inventory listing of Federally-owned property in its custody to the Grants Officer. Upon completion of the Federal Award or when the property is no longer needed, the non- Federal entity must report the property to the Grants Officer for further Council utilization. If the Council has no further need for the property, it must declare the property excess and report it for disposal to the appropriate Federal disposal authority, unless the Council has statutory authority to dispose of the property by alternative methods (e.g., the authority provided by the Federal Technology Transfer Act (15 U.S.C. § 3710 (i)) to donate research equipment to educational and non- profit organizations in accordance with Executive Order 12999, "Educational Technology: Ensuring Opportunity for All Children in the Next Century."). The Council will issue appropriate instructions to the non-Federal entity. The Council may exercise this option when statutory authority exists.

b. Absent statutory authority and specific terms and conditions of the Federal Award, title to exempt Federally-owned property acquired under the Federal Award remains with the Federal government.

c. The Grants Officer may require the non-Federal entity to submit the Tangible Personal Property Report (Form SF-428 or successor form), and/or Real Property Status Report (Form SF-429 or successor form), including applicable attachments to each form, in connection with the reporting of Federally-owned property that is in the non-Federal entity's custody pursuant to a Council financial assistance Award or with a non-Federal entity's request to acquire, encumber, dispose of, or take any other action pertaining to Federally-owned property.

5.5 Equipment

a. Recipients must comply with the equipment standards provided in 2 C.F.R. §§ 200.313 "Equipment" and 200.439 "Equipment and other capital expenditures."

b. American-Made Equipment and Products. Recipients are hereby notified that they are encouraged, to the greatest extent practicable, to purchase American-made equipment and products with funding provided under this Award.

c. Use, management, and disposition of equipment acquired.

   1. For recipients that are States: The recipient must use, manage and dispose of equipment acquired under this Award in accordance with state laws and procedures.

   2. For recipients that are not States: Equipment must be used by the recipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal Award. Before disposing of equipment during the period of performance, the recipient must seek disposition instructions from the Grants Officer for equipment acquired under this Award if the

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the title vests with the Federal government. Exempt Federally-owned property means property acquired under a Federal Award where the Federal Awarding agency has chosen to vest title to the property to the non-Federal entity without further obligation to the Federal Government, based upon the explicit terms and conditions of the Federal Award.

current fair market value of the equipment is greater than $5,000 per unit. Disposition instructions must be requested by submitting a completed "Tangible Personal Property Report" (SF-428 or any successor form) and the "Disposition Request/Report" (SF-428-C or any successor form). In addition, not later than 60 days after the end of the period of performance, the recipient must submit to the Grants Officer a completed SF- 428 and "Final Report Form" (SF-428-B or any successor form) if the recipient retains any equipment with a current fair market value greater than $5,000 per unit.

5.6 Supplies

a. Title to supplies vests in the non-Federal entity upon acquisition. If residual inventory of unused supplies exceeds $5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal Award, then the non-Federal entity may retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal government for its share. The amount of compensation must be computed in the same manner as for equipment as prescribed in 2 C.F.R. § 200.313 "Equipment"; *see* 200.313(e)(2) for the calculation methodology. *See also* 2 C.F.R. § 200.453 "Materials and supplies costs, including costs of computing devices." The recipient must report the value and the retention or sale of such supplies by submitting to the Grants Officer a completed "Tangible Personal Property Report" (SF-428 or any successor form) and "Final Report Form" (SF-428-B or any successor form) no later than 60 days after the end of the period of performance.
b. As long as the Federal government retains an interest in the supplies, the non-Federal entity must not use supplies acquired under a Federal Award to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute.

5.7 Intangible Property

a. Title to intangible[7] property acquired under a Federal Award vests upon acquisition in the non-Federal entity.
b. The non-Federal entity must use intangible property for the originally-authorized purpose, and must not encumber the property without the prior written approval of the Council. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in 2 C.F.R. § 200.313(e).
c. The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal Award. The Council reserves a royalty-free, perpetual, nonexclusive and irrevocable license to reproduce, publish, distribute, exhibit, and/or otherwise use and exploit the work throughout the world in all media now known or hereafter devised, and to authorize others to do so for Federal

[7] Intangible property as defined by 2 C.F.R. § 200.59 means property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

purposes.

d. The non-Federal entity is subject to applicable regulations governing patents and inventions, including governmentwide regulations issued by the Department of Commerce at 37 C.F.R. part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements."

e. The Federal government has the right, perpetually throughout the world in all media now known or hereafter devised, to:
   1. Obtain, reproduce, publish, distribute, exhibit, and/or otherwise use and exploit the data produced under a Federal Award; and
   2. Authorize others to do so for Federal purposes.

f. Freedom of Information Act (FOIA). Pursuant to 2 C.F.R. § 200.315(e), in response to a FOIA request for research data relating to published research findings[8] produced under a Federal Award that were used by the Federal government in developing an agency action that has the force and effect of law, the Council will request, and the non-Federal entity must provide, within a reasonable time, the research data[9] so that such data can be made available to the public through the procedures established under the FOIA. If the Council obtains the research data solely in response to a FOIA request, the Council may charge the requester a reasonable fee equal to the full incremental cost of obtaining the research data that reflects the costs incurred by the Council and the non-Federal entity. Pursuant to 5 U.S.C. § 552(a)(4)(A), this fee is in addition to any fees the Council may assess under the FOIA.

5.8 Property Trust Relationship

Real property, equipment and intangible property acquired or improved with a Federal Award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved. The Council may require the non-Federal entity to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a Federal Award and that use and disposition conditions apply to the property.

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[8] Published research findings (as defined by 2 C.F.R. § 200.315(e)(2)) means findings are published in a peer-reviewed scientific or technical journal; or a Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. Used by the Federal government in developing an "agency action that has the force and effect of law" is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

[9] As defined by 2 C.F.R. § 200.315(e)(3), research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This "recorded" material excludes physical objects (e.g., laboratory samples). Research data also do not include: trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

6. Procurement Standards

Pursuant to 2 C.F.R. § 200.317, when procuring property and services under this Federal Award, a State must follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will comply with 2 C.F.R. § 200.321 "Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms", 2 C.F.R. § 200.322 "Domestic preferences for procurements", and 2 C.F.R. § 200.323 "Procurement of recovered materials," and ensure that every purchase order or other contract includes any clauses required by section 2 C.F.R. § 200.327 "Contract provisions." All other non-Federal entities, including Subrecipients of a State, will follow the requirements of 2 C.F.R. §§ 200.318 "General procurement standards" through 200.327"Contract provisions."

a. For recipients that are States: When executing procurement actions under the Award, the recipient must follow the same policies and procedures it uses for procurements from its non-Federal funds. The recipient must ensure that every purchase order or other contract contains any clauses required by federal statutes and EOs and their implementing regulations, including all of the provisions listed in Appendix II to 2 C.F.R. Part 200 "Contract Provisions for Non-Federal Entity Contracts under Federal Awards," as well as any other provisions required by law or regulations.
b. For recipients that are <u>not</u> States: The recipient must follow all procurement requirements set forth in 2 C.F.R. §§ 200.318, 200.319, 200.320, 200.321, 200.323, 200.324, and 200.325. In addition, all contracts executed by the recipient to accomplish the approved scope of work must contain any clauses required by federal statutes and EOs and their implementing regulations, including all of the provisions listed in Appendix II to 2 C.F.R. Part 200 "Contract Provisions for Non-Federal Entity Contracts under Federal Awards."

7. Non-Discrimination Requirements

No person in the United States shall, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance. The non-Federal entity shall comply with the non-discrimination requirements below:

7.1 Statutory Provisions

a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d *et seq.*) and any Council regulations and policies promulgated pursuant to its authority prohibit discrimination on the grounds of race, color, or national origin under programs or activities receiving Federal financial assistance;
b. Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681 *et seq.*) prohibits discrimination on the basis of sex under Federally assisted education programs or activities;
c. The Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. §§ 12101 *et seq.*)

prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto, as well as public or private entities that provide public transportation;

d. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and any Council regulations and policies promulgated pursuant to its authority prohibit discrimination on the basis of handicap under any program or activity receiving or benefiting from Federal assistance.

e. Revised ADA Standards for Accessible Design for Construction Awards revised regulations implementing Title II of the Americans with Disabilities Act (ADA) (28 C.F.R. part 35; 75 FR 56164, as amended by 76 FR 13285) and Title III of the ADA (28 C.F.R. part 36; 75 FR 56164, as amended by 76 FR 13286) which adopted new enforceable accessibility standards called the "2010 ADA Standards for Accessible Design" (2010 Standards). All new construction and alteration projects shall comply with the 2010 Standards.

f. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 *et seq.*), and any Council regulations and policies promulgated pursuant to its authority prohibit discrimination on the basis of age in programs or activities receiving Federal financial assistance;

g. Any other applicable non-discrimination law(s).

7.2 Other Provisions

a. Parts II and III of EO 11246, "Equal Employment Opportunity," (30 FR 12319, 1965), as amended by EO 11375 (32 FR 14303, 1967) and EO 12086 (43 FR 46501, 1978), requiring Federally-assisted construction contracts to include the nondiscrimination provisions of §§ 202 and 203 of that EO and Department of Labor regulations implementing EO 11246 (41 C.F.R. § 60-1.4(b), 1991).

b. EO 13166 (August 11, 2000), "Improving Access to Services for Persons With Limited English Proficiency," requiring Federal agencies to examine the services provided, identify any need for services to those with limited English proficiency (LEP), and develop and implement a system to provide those services so LEP persons can have meaningful access to them.

c. Pilot Program for Enhancement of Employee Whistleblower Protections. The National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. No. 112-239, enacted January 2, 2013 and codified at 41 U.S.C. § 4712) includes a pilot program of whistleblower protection. It applies to all Council Awards, subAwards, or contracts under Awards issued beginning July 1, 2013 through January 1, 2017. The following provision implements that law:

   In accordance with 41 U.S.C. § 4712, an employee of a non-Federal entity or contractor under a Federal Award or subAward may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body information that the employee reasonably believes is evidence of gross mismanagement of a Federal Award,

subAward, or a contract under a Federal Award or subAward, a gross waste of Federal funds, an abuse of authority relating to a Federal Award or subAward or contract under a Federal Award or subAward, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal Award, subAward, or contract under a Federal Award or subAward. These persons or bodies include:

1. A Member of Congress or a representative of a committee of Congress.
2. An Inspector General.
3. The Government Accountability Office.
4. A Federal employee responsible for contract or grant oversight or management at the relevant agency.
5. An authorized official of the Department of Justice or other law enforcement agency.
6. A court or grand jury.
7. A management official or other employee of the contractor, subcontractor, or grantee who has the responsibility to investigate, discover, or address misconduct.

Non-Federal entities shall inform their employees in writing of the rights and remedies provided under 41 U.S.C. § 4712, in the predominant native language of the workforce.

7.3 Title VII Exemption for Religious Organizations

Generally, Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e *et seq*., provides that it shall be an unlawful employment practice for an employer to discharge any individual or otherwise to discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment because of such individual's race, color, religion, sex, or national origin. However, Title VII, 42 U.S.C. § 2000e-1(a), expressly exempts from the prohibition against discrimination on the basis of religion, a religious corporation, association, educational institution, or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities.

8. Records Retention

The recipient must retain all records pertinent to this Award for a period of no less than three years, beginning on a date as described in 2 C.F.R. § 200.334, or such longer retention period as may be required by state or federal law. While electronic storage of records (backed up as appropriate) is preferable, the recipient has the option to store records in hardcopy (paper) format. For the purposes of this section, the term "records" includes but is not limited to:

8.1 Copies of all contracts and all documents related to a contract, including the Request for Proposal (RFP), all proposals/bids received, all meeting minutes or other documentation of the evaluation and selection of contractors, any disclosed conflicts of interest regarding a contract, all signed conflict of interest forms (if applicable), all conflict of interest and other procurement rules governing a particular contract, and any

bid protests;

8.2 Copies of all subAwards, including the funding opportunity announcement or equivalent, all applications received, all meeting minutes or other documentation of the evaluation and selection of Subrecipients, any disclosed conflicts of interest regarding a subAward, and all signed conflict of interest forms (if applicable);

8.3 All documentation of site visits, reports, audits, and other monitoring of contractors (vendors) and Subrecipients (if applicable);

8.4 All financial and accounting records, including records of disbursements to contractors (vendors) and Subrecipients, and documentation of the allowability of Administrative Costs charged to this Award;

8.5 All supporting documentation for the performance outcome and other information reported on the recipient's Financial Reports and Performance (Technical) Reports; and

8.6 Any reports, publications, and data sets from any research conducted under this Award.

8.7 If any litigation, claim, investigation, or audit relating to this Award or an activity funded with Award funds is started before the expiration of the three-year period, the records must be retained until all litigation, claims, investigations, or audit findings involving the records have been resolved and final action taken.

9. Audits

a. Under the Government Accounting Office's authorities (5 U.S.C. § 701 et seq.) and the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3, § 1 *et seq.,* an audit of the Award may be conducted at any time. The Treasury Office of Inspector General (OIG), Government Accounting Office (GAO) and the Council are authorized to audit Council Awards. *See* Section 1608 of the RESTORE Act; and *see* 31 C.F.R. §§ 34.205, 34.406, 34.508 and 34.805.

b. The Treasury OIG (as specified in the RESTORE Act), or any of his or her duly authorized representatives, the GAO and the Council shall have timely and unrestricted access to any pertinent books, documents, papers, and records of the non-Federal entity, whether written, printed, recorded, produced, or reproduced by any electronic, mechanical, magnetic, or other process or medium, in order to make audits, inspections, excerpts, transcripts, or other examinations as authorized by law.

c. If the Treasury OIG requires a program audit on a Council Award, the OIG will usually make the arrangements to audit the Award, whether the audit is performed by OIG personnel, an independent accountant under contract with the Council, or any other Federal, state, or local audit entity.

d. The Treasury OIG, the GAO, and the Council shall have the right during normal business hours to conduct announced and unannounced onsite and offsite physical visits of recipients and their Subrecipients and contractors corresponding to the duration of their records retention obligation for this Award.

9.1 Organization-Wide, Program-Specific, and Project Audits

a. Organization-wide or program-specific audits must be performed in accordance with the Single Audit Act Amendments of 1996, as implemented by 2 C.F.R. part 200, Subpart F, "Audit Requirements." Recipients that are subject to the provisions of 2 C.F.R. part 200, Subpart F and that expend $750,000 or more in a year in Federal Awards must have an audit conducted for that year in accordance with the requirements contained in 2 C.F.R. part 200, Subpart F. A copy of the audit shall be submitted to the Bureau of the Census, which has been designated by OMB as a central clearinghouse, by electronic submission to the Federal Audit Clearinghouse website. If it is necessary to submit by paper, the address for submission is:

Federal Audit Clearinghouse
Bureau of the Census
1201 E. 10th Street
Jeffersonville, IN 47132

b. Except for the provisions for biennial audits provided in paragraphs (1) and (2) of this section, audits required must be performed annually. Any biennial audit must cover both years within the biennial period.

   1. A State, local government, or Indian tribe that is required by constitution or statute, in effect on January 1, 1987, to undergo its audits less frequently than annually, is permitted to undergo its audits pursuant to this part biennially. This requirement must still be in effect for the biennial period.

   2. Any nonprofit organization that had biennial audits for all biennial periods ending between July 1, 1992, and January 1, 1995, is permitted to undergo its audits pursuant to this part biennially.

c. Council programs may have specific audit guidelines that will be incorporated into the Award. When the Council does not have a program-specific audit guide available for the program, the auditor will follow the requirements for a program-specific audit as described in 2 C.F.R. § 200.507. The non- Federal entity may include a line item in the budget for the cost of the audit for approval. A copy of the program-specific audit shall be submitted to the Grants Officer and to the OIG at OIGCounsel@oig.treas.gov or if e-mail is unavailable, submission to the OIG can be made at the following address:

Treasury Office of Inspector General
1500 Pennsylvania Ave. NW
Washington, DC 20220

9.2 Audit Resolution Process

a. An audit of the Award may result in the disallowance of costs incurred by the non-Federal entity and the establishment of a debt (account receivable) due the Council. For

this reason, the non-Federal entity should take seriously its responsibility to respond to all audit findings and recommendations with adequate explanations and supporting evidence whenever audit results are disputed.

b. A non-Federal entity whose Award is audited has the following opportunities to dispute the proposed disallowance of costs and the establishment of a debt:
   1. Unless the Inspector General determines otherwise, the non-Federal entity has 30 days after the date of the transmittal of the draft audit report to submit written comments and documentary evidence.
   2. The non-Federal entity has 30 days after the date of the transmittal of the final audit report to submit written comments and documentary evidence. There will be no extension of this deadline.
   3. The Council will review the documentary evidence submitted by the non-Federal entity and notify the non-Federal entity of the results in an *Audit Resolution Determination Letter*. The non- Federal entity has 30 days after the date of receipt of the *Audit Resolution Determination Letter* to submit a written appeal. There will be no extension of this deadline. The appeal is the last opportunity for the non-Federal entity to submit written comments and documentary evidence that dispute the validity of the audit resolution determination.
   4. An appeal of the Audit Resolution Determination does not prevent the establishment of the audit- related debt nor does it prevent the accrual of interest on the debt. If the Audit Resolution Determination is overruled or modified on appeal, appropriate corrective action will be taken retroactively. An appeal will stay the offset of funds owed by the auditee against funds due to the auditee.
   5. The Council will review the non-Federal entity's appeal and notify the non-Federal entity of the results in an *Appeal Determination Letter*. After the opportunity to appeal has expired or after the appeal determination has been rendered, the Council will not accept any further documentary evidence from the non-Federal entity. No other administrative appeals to the Council are available.

10. Debts

10.1 Payment of Debts Owed the Federal Government

a. The non-Federal entity must promptly pay any debts determined to be owed the Federal Government. Council debt collection procedures are set out in 2 C.F.R. part 200, Subpart D. In accordance with 2 C.F.R. § 200.346, delinquent debt includes any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal Award, constituting a debt to the Federal government (this includes a post-delinquency payment agreement) unless other satisfactory payment arrangements have been made. In accordance with 2 C.F.R. § 200.346, failure to pay a debt by the due date, or if there is no due date, within 90 calendar days after demand, shall result in the assessment of interest, penalties and administrative

costs in accordance with the provisions of 31 U.S.C. § 3717 and 31 C.F.R. parts 900 through 999. The Council will transfer any debt that is more than 180 days delinquent to the Bureau of the Fiscal Service for debt collection services, a process known as "cross-servicing," pursuant to 31 U.S.C. § 3711(g), 31 C.F.R. § 285.12 and any Council regulations and policies promulgated pursuant to its authority, and may result in the Council taking further action as specified in Section B.06 "Non- Compliance With Award Provisions" Above. Funds for payment of a debt shall not come from other Federally-sponsored programs. Verification that other Federal funds have not been used will be made (e.g., during on-site visits and audits).

b. If a non-Federal entity fails to repay a debt within 90 calendar days after the demand, the Council may reduce the debt by: (1) Making an administrative offset against other requests for reimbursements; (2) Withholding advance payments otherwise due to the non-Federal entity; or (3) Other action permitted by Federal statute. *See* 2 C.F.R. § 200.346(a).

10.2 Late Payment Charges

a. Interest shall be assessed on the delinquent debt in accordance with section 3717(a) of the Debt Collection Act of 1982, as amended (31 U.S.C. § 3701 *et seq.)*. The minimum annual interest rate to be assessed is the Department of the Treasury's Current Value of Funds Rate (CVFR).[10] The CVFR is published by the Department of the Treasury in the *Federal Register* [11]and in the *Treasury Financial Manual Bulletin*. [12] The assessed rate shall remain fixed for the duration of the indebtedness.
b. Penalties shall accrue at a rate of not more than six percent (6%) per year or such higher rate as authorized by law.
c. Administrative charges, that is, the costs of processing and handling a delinquent debt, are determined by the Council.

10.3 Effect of Judgment Lien on Eligibility for Federal Grants, Loans, or Programs

Pursuant to 28 U.S.C. § 3201(e), unless waived by the Council a debtor who has a judgment lien against the debtor's property for a debt to the United States shall not be eligible to receive any grant or loan that is made, insured, guaranteed, or financed directly or indirectly by the United States or to receive funds directly from the Federal Government in any program, except funds to which the debtor is entitled as beneficiary, until the judgment is paid in full or otherwise satisfied.

11. Government-wide Debarment and Suspension

The non-Federal entity shall comply with the provisions of 2 C.F.R. Part 180, "OMB

[10] Department of the Treasury's Current Value of Funds Rate (CVFR) webpage - https://www.fiscal.treasury.gov/fsreports/rpt/cvfr/cvfr_home.htm, verified 8/18/2015.
[11] Federal Register website - http://www.gpo.gov/fdsys/browse/collection.action?collectionCode=FR and http://www.federalregister.gov/, verified 8/18/2015.
[12] Treasury Financial Manual Bulletin website - http://tfm.fiscal.treasury.gov/v1/bull.html, verified 8/18/2015.

Guidelines To Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," which generally prohibit entities, and their principals, that have been debarred, suspended, or voluntarily excluded from participating in Federal nonprocurement transactions either through primary or lower tier covered transactions, and which sets forth the responsibilities of recipients of Federal financial assistance regarding transactions with other persons, including Subrecipients and contractors.

12. Lobbying Restrictions

12.1 Statutory Provisions

The non-Federal entity shall comply with 2 C.F.R. § 200.450 ("Lobbying"), which incorporates the provisions of 31 U.S.C. § 1352, the "New Restrictions on Lobbying" published at 55 FR 6736 (February 26, 1990), and OMB guidance and notices on lobbying restrictions. In addition, non-Federal entities must comply with any Council regulations and policies promulgated pursuant to its authority. These provisions prohibit the use of Federal funds for lobbying the executive or legislative branches of the Federal Government in connection with the Award, and require the disclosure of the use of non-Federal funds for lobbying. Executive lobbying costs, i.e., costs incurred in attempting to improperly influence[13] either directly or indirectly an employee or officer of the executive branch of the Federal government to give consideration or to act regarding a Federal Award or a regulatory matter, are unallowable costs. *See* 2 C.F.R. § 200.450(b) and (c).

12.2 Disclosure of Lobbying Activities

The non-Federal entity receiving in excess of $100,000 in Federal funding shall submit a completed Form SF-LLL or any successor form, "Disclosure of Lobbying Activities," regarding the use of non- Federal funds for lobbying. The Form SF-LLL shall be submitted within 30 days following the end of the calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed. The non-Federal entity must submit any required Forms SF-LLL, including those received from Subrecipients, contractors, and subcontractors, to the Grants Officer. *See* 31 U.S.C. § 1352.

13. Remedies for Non Compliance

a. If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal Award, the Council or pass-through entity may impose additional conditions, as described in 2 C.F.R. § 200.208 "Specific conditions" (e.g., requiring additional reporting or more frequent submission of the Financial or Performance (Technical) Reports; requiring additional activity, project, or program monitoring; requiring the recipient or one or more of its Subrecipients to obtain technical or management assistance; or establishing additional actions that require prior approval). If

[13] To improperly influence means any influence that induces or tends to induce a Federal employee or officer to give consideration or to act regarding a Federal Award or regulatory matter on any basis other than the merits of the matter.

the Council or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, pursuant to 2 C.F.R. § 200.339, the Council or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

1. Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Council or pass-through entity.
2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
3. Wholly or partly suspend or terminate the Federal Award.
4. Initiate suspension or debarment proceedings as authorized under 2 C.F.R. part 180 and Council regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by the Council).
5. Withhold further Federal Awards for the project or program.
6. Take other remedies that may be legally available.

The Council will notify the recipient in writing of the Council's proposed determination that an instance of non-compliance has occurred, provide details regarding the instance of noncompliance, and indicate the remedy that the Council proposes to pursue. The recipient will then have 30 calendar days to respond and provide information and documentation contesting the Council's proposed determination or suggesting an alternative remedy. The Council will consider information provided by the recipient and issue a final determination in writing, which will state the Council's final findings regarding noncompliance and the remedy to be imposed.

b. RESTORE Act-Specific Remedy for Non-compliance

1. If the Council determines that the recipient has expended funds to cover the cost of any ineligible activities, in addition to the remedies available in this section, the Council, in coordination with the U.S. Department of Treasury ("Treasury"), will make no additional payments to the recipient from the RESTORE Trust Fund, including no payments from the RESTORE Trust Fund for activities, projects, or programs under any other RESTORE Act Component until the recipient has either (a) deposited an amount equal to the amount expended for the ineligible activities in the RESTORE Trust Fund, or (b) the Council, in coordination with Treasury, has authorized the recipient to expend an equal amount from the recipient's own funds for an activity that meets the requirements of the RESTORE Act. *See* 33 U.S.C. § 1321(t)(1)(G) and (H), and *see* 31 C.F.R. § 34.804 "Noncompliance."
2. If the Council determines that the recipient has materially violated the terms of the Award, the Council, in coordination with Treasury, will make no additional funds

available to the recipient from any part of the RESTORE Trust Fund until the recipient corrects the violation.

c. In extraordinary circumstances, the Council may require that any of the remedies above take effect immediately upon notice in writing to the recipient. In such cases, the recipient may contest the Council's determination or suggest an alternative remedy in writing to the Council, and the Council will issue a final determination.
d. Instead of, or in addition to, the remedies listed above, the Council may refer the noncompliance to the Treasury OIG for investigation or audit, pursuant to 31 C.F.R. § 34.805 "Treasury Inspector General." The Council will refer all allegations of fraud, waste, or abuse to the Treasury OIG.
e. Termination. In accordance with 2 C.F.R. § 200.340, when a Federal Award is terminated or partially terminated, both the Council or pass-through entity and the non-Federal entity remain responsible for compliance with the requirements in 2 C.F.R. §§ 200.344 "Closeout" and 200.345 "Post-closeout adjustments and continuing responsibilities."

1. The Federal Award may be terminated in whole or in part as follows:
    i. By the Council or pass-through entity, if a non-Federal entity fails to comply with the terms and conditions of a Federal Award;
    ii. By the Council or pass-through entity for cause;
    iii. By the Council or pass-through entity with the consent of the non-Federal entity, in which case the two parties will agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated; or
    iv. By the non-Federal entity upon sending to the Council or pass-through entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Council or pass- through entity determines in the case of partial termination that the reduced or modified portion of the Federal Award or subAward will not accomplish the purposes for which the Federal Award was made, the Council or pass-through entity may terminate the Federal Award in its entirety.

2. The Council or pass-through entity is required to provide a notice of termination to the non- federal entity, pursuant to 2 C.F.R. § 200.341:
    i. If the Federal Award is terminated for the non-Federal entity's failure to comply with the Federal statutes, regulations, or terms and conditions of the Federal Award, the notification must state that the termination decision may be considered in evaluating future applications received from the non-Federal entity.

ii. Upon termination of a Federal Award, the Council will provide the information required under FFATA to the Federal Web site established to fulfill the requirements of FFATA, and update or notify any other relevant governmentwide systems or entities of any indications of poor performance as required by 41 U.S.C. § 417b and 31 U.S.C. § 3321 and implementing guidance at 2 C.F.R. part 77. See also 2 C.F.R. part 180 for the requirements for Suspension and Debarment.

14. Codes of Conduct and SubAward, Contract and Subcontract Provisions

14.1 Code of Conduct for Recipients

a. The non-Federal entity must immediately report any indication of fraud, waste, abuse or potential criminal activity pertaining to grant funds to the Council, Treasury and the Treasury Inspector General in accordance with the requirements in 31 C.F.R. § 34.803(a).

b. Pursuant to the certification in Form SF-424B, paragraph 3, or equivalent, the non-Federal entity must maintain written standards of conduct to establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain in the administration of the Award.

c. Non-Federal entities must comply with the requirements of 2 C.F.R. § 200.318 "General procurement standards," including maintaining written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, Award and administration of contracts. No employee, officer or agent shall participate in the selection, Award or administration of a contract supported by a Federal Award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to or planning to employ any of the foregoing parties, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees and agents of the non-Federal entity must neither solicit nor accept any gratuities, favors or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set written standards of conduct for circumstances in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. Such standards must provide for disciplinary actions to be taken for violations of the standards of conduct by officers, employees or agents of the non-Federal entity.

14.2 Applicability of Award Provisions to Subrecipients

a. The non-Federal entity shall require all Subrecipients, including lower tier Subrecipients, under the Award to comply with the provisions of the Award, including applicable cost principles, administrative provisions, audit requirements, and all associated terms and conditions. *See* 2 C.F.R. part 200, Subpart D, "Subrecipient Monitoring and Management"

and see 2 C.F.R. § 200.101(b)(2). Additionally, the non-Federal entity must perform all responsibilities required of a pass-through entity, as specified in 2 C.F.R. Part 200, including evaluating and documenting a Subrecipient's risk of noncompliance; providing training and technical assistance necessary to complete the subAward activities; monitoring the performance of the Subrecipient; and taking any necessary enforcement actions against a noncompliant Subrecipient. *See* 2 C.F.R. § 200.332 "Requirements for pass through entities."

b. Prior to dispersing funds to a Subrecipient, the recipient must execute a legally-binding written agreement with the entity receiving the subAward in accordance with the requirements in 31 C.F.R. § 34.803(c). The written agreement shall extend all applicable program requirements to the Subrecipient. The written agreement must include a requirement that the contractor or Subrecipient retain all records in compliance with 2 C.F.R. § 200.334.

c. A non-Federal entity is responsible for Subrecipient monitoring, including the following:

1. Federal Award Identification. The non-Federal entity must ensure that each subAward includes the following information and applicable compliance requirements at the time of the subAward. If any of these data elements change, the pass through entity must include the changes in a 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.

   i. Subrecipient name (which must match the registered name in DUNS);
   ii. Subrecipient's DUNS number (*see* 2 C.F.R. § 200.32 "Data Universal Numbering System (DUNS) number");
   iii. Federal Award Identification Number (FAIN);
   iv. Federal Award Date (*see* 2 C.F.R. § 200.39 "Federal Award date");
   v. SubAward Period of Performance Start and End Date;
   vi. Amount of Federal Funds Obligated by this action;
   vii. Total Amount of Federal Funds Obligated to the Subrecipient;
   viii. Total Amount of the Federal Award;
   ix. Federal Award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
   x. Name of Federal Awarding agency, pass-through entity and contact information for Awarding official;
   xi. CFDA Number and Name; the pass-through entity must identify the dollar amount made available under each Federal Award and the CFDA number at time of disbursement;
   xii. Identification of whether the Award is for research and development (R&D); and
   xiii. Indirect cost rate for the Federal Award (including whether the *de minimis* rate is charged per 2 C.F.R. § 200.414 "Indirect (F&A) costs").

2. Award Monitoring. The non-Federal entity is responsible for oversight of the operations of the Federal Award supported activities. The non-Federal entity must monitor its activities under Federal Awards to assure that compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. *See* 2 C.F.R. §§ 200.329 "Monitoring and reporting program performance," and 200.332"Requirements for pass-through entities." The non-Federal entity shall monitor activities of the Subrecipient through reporting, site visits, regular contact, or other means, as necessary to ensure that the subAward is used solely 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:
   i. Reviewing financial and programmatic reports required by the pass-through entity.
   ii. 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 other means.
   iii. Issuing a management decision for audit findings pertaining to the Federal Award provided to the Subrecipient from the pass-through entity as required by 2 C.F.R. § 200.521 "Management decision."
3. Subrecipient Audits. The non-Federal entity is responsible for ensuring that Subrecipients expending $750,000 or more in Federal Awards during the Subrecipient's fiscal year have met the audit requirements of 2 C.F.R. part 200, Subpart F, "Audit Requirements," and that the required audits are completed within nine (9) months after the end of the Subrecipient's audit period. In addition, the non-Federal entity is required to issue a management decision on audit findings within six (6) months after receipt of the Subrecipient's audit report, and to ensure that the Subrecipient takes timely and appropriate corrective action on all audit findings. Pursuant to 2 C.F.R. § 200.505, in cases of continued inability or unwillingness to have an audit conducted in accordance with this part, Federal agencies and pass-through entities must take appropriate action as provided in 2 C.F.R. § 200.339 "Remedies for noncompliance."

14.3 Competition and Codes of Conduct for SubAwards

a. Unless otherwise approved in writing in advance by the Grants Officer, all subAwards will be made in a manner to provide, to the maximum extent practicable, open and free competition in accordance with the requirements of 2 C.F.R. §§ 200.318 through 200.327 "Procurement Standards." The non- Federal entity must be alert to organizational conflicts of interest as well as other practices among Subrecipients that may restrict or eliminate

competition. In order to ensure objective Subrecipient performance and eliminate unfair competitive advantage, Subrecipients that develop or draft work requirements, statements of work, or requests for proposals shall be excluded from competing for such subAwards.

b. The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, Award and administration of contracts. No employee, officer, or agent must participate in the selection, Award, or administration of a contract supported by a Federal Award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to or planning to employ any of the foregoing parties, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards of conduct for circumstances in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. Such standards must provide for disciplinary actions to be taken for violations of the standards of conduct by officers, employees or agents of the non-Federal entity.
c. If the non-Federal entity has a parent, affiliate or subsidiary organization that is not a State, local government or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest, wherein relationships with a parent company, affiliate or subsidiary organization cause the non-Federal entity to be or appear to be unable to be impartial in conducting a procurement action involving such related organization.
d. A financial interest may include employment, stock ownership, a creditor or debtor relationship, or prospective employment with the organization selected or to be selected for a subAward. An appearance of impairment of objectivity may result from an organizational conflict where, because of other activities or relationships with other persons or entities, a person is unable or potentially unable to render impartial assistance or advice. It may also result from non-financial gain to the individual, such as benefit to reputation or prestige in a professional field.

14.4 Applicability of Provisions to SubAwards, Contracts, and Subcontracts

a. The non-Federal entity shall include the following notice in each request for applications or bids for a subAward, contract, or subcontract, as applicable:

Applicants or bidders for a lower tier covered transaction (except procurement contracts for goods and services under $25,000 not requiring the consent of a Council official) are subject to 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)." In addition, applicants or bidders for a lower tier covered transaction for a subAward, contract, or subcontract greater than

$100,000 of Federal funds at any tier are subject to relevant statutes, including among others, the provisions of 31 U.S.C. 1352, as well as the common rule, "New Restrictions on Lobbying," published at 55 FR 6736 (February 26, 1990), including definitions, and the Office of Management and Budget "Governmentwide Guidance for New Restrictions on Lobbying," and notices published at 54 FR 52306 (December 20, 1989), 55 FR 24540 (June 15, 1990), 57 FR 1772 (January 15, 1992), and 61 FR 1412 (January 19, 1996).

When the recipient makes a subAward to a Subrecipient that is authorized to enter into contracts for the purpose of completing the subAward scope of work, the recipient must require the Subrecipient to comply with the requirements contained in this section.

b. Pursuant to 2 C.F.R. Appendix II to part 200, "Contract Provisions for Non-Federal Entity Contracts Under Federal Awards," and in addition to other provisions required by the Federal agency or non- Federal entity, all contracts made by the non-Federal entity under the Federal Award must contain provisions covering the following, as applicable:
    1. Contracts for more than the Simplified Acquisition Threshold ($150,000 as of 12-26-2013), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. § 1908, must address administrative, contractual or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
    2. All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
    3. Equal Employment Opportunity. Except as otherwise provided under 41 C.F.R. part 60, all contracts that meet the definition of "Federally assisted construction contract" in 41 C.F.R. part 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. 60-1.4(b), in accordance with EO 11246, "Equal Employment Opportunity" (30 F.R. 12319, 12935, 3 C.F.R. part, 1964-1965 Comp., p. 339), as amended by EO 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
    4. Davis-Bacon Act. When required by Federal program legislation, all prime construction contracts in excess of $2,000 Awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition,

contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to Award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Council. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or Subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Council.

5. Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708). Where applicable, all contracts Awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. part 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
6. Rights to Inventions Made Under a Contract or Agreement. If the Federal Award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the non-Federal entity or Subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the non-Federal entity or Subrecipient must comply with the requirements of 37 C.F.R. part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the Awarding agency.
7. Mandatory standards and policies relating to energy efficiency which are contained

in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. § 6201).

8. Debarment and Suspension (Executive Orders 12549 and 12689). A contract Award (*see* 2 C.F.R.§ 180.220) must not be made to parties listed on the governmentwide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. part 180 that implement Executive Orders 12549 (3 C.F.R. part 1986 Comp., p. 189) and 12689 (3 C.F.R. part 1989 Comp., p. 235), "Debarment and Suspension." The Excluded Parties List System in SAM[14] contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
9. Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352). Contractors that apply or bid for an Award of $100,000 or more must file the required certification, a "Disclosure of Lobbying Activities" (Form SF-LLL or successor form). Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federalcontract, grant or any other Award covered by 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal Award. Such disclosures are forwarded from tier-to-tier up to the Federal Award recipient. The Form SF- LLL must be submitted within 15 days following the end of the calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed. The non-Federal entity must submit all disclosure forms received, including those that report lobbying activity on its own behalf, to the Grants Officer within 30 days following the end of the calendar quarter.
10. Procurement of recovered materials (section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act). A state agency or agency of a political subdivision of a State and its contractors must comply with requirements of Section 6002 including procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired by the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
11. Pilot Program for Enhancement of Employee Whistleblower Protections. The

[14] System for Award Management (SAM) website - https://www.sam.gov, verified 8/18/2015.

National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. No. 112-239, enacted January 2, 2013 and codified at 41 U.S.C. § 4712) includes a pilot program of whistleblower protection. It applies to all Council Awards, subAwards, or contracts under Awards issued beginning July 1, 2013 through January 1, 2017. Non-Federal entities and contractors under Federal Awards and subAwards shall inform their employees in writing of the rights and remedies provided under 41 U.S.C. § 4712, in the predominant native language of the workforce. *See* section 7.2 (c) of this document.

c. The recipient must include in its legal agreement or contract with the Subrecipient a requirement that the Subrecipient make available to the Council, the Treasury OIG, and the GAO any documents, papers or other records, including electronic records, of the Subrecipient, that are pertinent to the Award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the Subrecipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained.
d. The recipient and any Subrecipients, contractors, or subcontractors must comply with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328), as applicable, which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.
e. When contracting, the non-Federal entity must take all necessary affirmative steps, as prescribed in 2 C.F.R. § 200.321(b), to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

14.5 SubAward and/or Contract to a Federal Agency

a. The non-Federal entity, Subrecipient, contractor, and/or subcontractor shall not sub-grant or sub-contract any part of the approved project to any agency or employee of the Council and/or other Federal department, agency, or instrumentality without the prior written approval of the Grants Officer.
b. Requests for approval of such action must be submitted in writing to the Grants Officer. The Grants Officer will notify the non-Federal entity in writing of the final determination.

15. Amendments and Closeout

a. Amendments to an Award must be requested in writing and require the written approval of the Grants Officer. The recipient must provide an explanation for the reason an amendment is requested. The Council reserves the right to amend the terms of the Award when required by law or regulation.
b. The non-Federal entity must comply with the closeout requirements as stipulated in 2 C.F.R. § 200.344. Closeout of the Award does not affect any of the post-closeout

adjustments and continuing responsibilities under 2 C.F.R. § 200.345.

16. Environmental Compliance

Environmental impacts must be considered by Federal decision-makers in deciding whether or not to approve: (1) a proposal for Federal assistance; (2) such proposal with mitigation; or (3) a different proposal having less adverse environmental impacts. Federal environmental laws require that the funding agency initiate an early planning process that considers potential impacts that projects funded with Federal assistance may have on the environment. Non-Federal entities must comply with all applicable environmental laws, regulations and policies. Additionally, recipients may be required to assist the Council in complying with laws, regulations and policies applicable to Council actions. Laws, regulations, and policies potentially applicable to Council actions and/or recipients may include but are not limited to the statutes and EOs listed below. The Council does not make independent determinations of compliance with laws such as the Clean Water Act. Rather, the Council may require a recipient to provide information to the Council to demonstrate that the recipient has complied with or will comply with all such requirements. In some cases, if additional information is required after an application is selected, funds may be withheld by the Grants Officer under a special Award condition requiring the recipient to submit additional information sufficient to enable the Council to make an assessment regarding compliance with applicable environmental laws, regulations and policies.

If a recipient is permitted to make any subAwards, the recipient must include all of the environmental statutes, regulations and EOs listed below in any agreement or contract with a Subrecipient, and require the Subrecipient to comply with all of these and to notify the recipient if the Subrecipient becomes aware of any impact on the environment that was not noted in the recipient's approved application package.

16.1 The National Environmental Policy Act (42 U.S.C. § 4321 et seq.*)*

Council approval of financial assistance Awards may be subject to the environmental review requirements of the National Environmental Policy Act (NEPA). In such cases, recipients of financial assistance Awards may be required to assist the Council in complying with NEPA. For example, applicants may be required to assist the Council by providing information on a proposal's potential environmental impacts, or drafting or supplementing an environmental assessment or environmental impact statement if the Council determines such documentation is required. Independent of the Council's responsibility to comply with NEPA, where appropriate, projects or programs funded by the Council may trigger Federal agency NEPA compliance duties involving a separate Federal action, such as the issuance of a Federal permit.

16.2 The Endangered Species Act (16 U.S.C. § 1531 et seq.)

Council approval of financial assistance for project implementation is subject to compliance with section 7 of the Endangered Species Act (ESA). Recipients must identify any impact or

activities that may involve a Federally-listed threatened or endangered species, or their designated critical habitat. Section 7 of the ESA requires every Federal agency to ensure that any action it authorizes, funds or carries out, in the United States or upon the high seas, is not likely to jeopardize the continued existence of any listed species or result in the destruction or adverse modification of designated critical habitat. Federal agencies have the responsibility for ensuring that a protected species or habitat does not incur adverse effects from actions taken under Federal assistance Awards, and for conducting the required consultations with the National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service under the Endangered Species Act, as applicable.

16.3 Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. § 1801 et seq.)

Recipients of financial assistance Awards must identify to the Council any effects the Award may have on essential fish habitat (EFH). Federal agencies which fund, permit, or carry out activities that may adversely impact EFH are required to consult with NMFS regarding the potential effects of their actions, and respond in writing to NMFS recommendations. These recommendations may include measures to avoid, minimize, mitigate, or otherwise offset adverse effects on EFH. In addition, NMFS is required to comment on any state agency activities that would impact EFH. Provided the specifications outlined in the regulations are met, EFH consultations will be incorporated into interagency procedures previously established under NEPA, the Endangered Species Act, Clean Water Act, Fish and Wildlife Coordination Act, or other applicable statutes.

16.4 Clean Water Act Section 404 (33 U.S.C. § 1344 et seq.)

Clean Water Act (CWA) Section 404 regulates the discharge of dredged or fill material into waters of the United States, including wetlands. Activities in waters of the United States regulated under this program include fill for development, water resource projects (such as levees and some coastal restoration activities), and infrastructure development (such as highways and airports). CWA Section 404 requires a permit from the U.S. Army Corps of Engineers before dredged or fill material may be discharged into waters of the United States, unless the activity is exempt from Section 404 regulation (e.g., certain farming and forestry activities).

16.5 The Migratory Bird Treaty Act (16 U.S.C. §§ 703-712), Bald and Golden Eagle Protection Act (16 U.S.C. § 668 et seq.), and Executive Order No. 13186, Responsibilities of Federal Agencies to Protect Migratory Birds

A number of prohibitions and limitations apply to projects that adversely impact migratory birds and bald and golden eagles. Executive Order 13186 directs Federal agencies to enter a Memorandum of Understanding with the U.S. Fish and Wildlife Service to promote conservation of migratory bird populations when a Federal action will have a measurable negative impact on migratory birds.

16.6 National Historic Preservation Act (16 U.S.C. § 470 et seq.)

Council approval of financial assistance Awards may be subject to Section 106 of the National Historic Preservation Act (NHPA). In such cases, recipients of financial assistance Awards may be requested to assist the Council in identifying any adverse effects the Award may have on properties included on or eligible for inclusion on the National Register of Historic Places. Pursuant to 36 C.F.R. § 800.2(c)(4), applicants and recipients may also be requested to assist the Council in initiating consultation with State or Tribal Historic Preservation Officers, Indian tribes, Native Hawaiian Organizations or other applicable interested parties as necessary to the Council's responsibilities to identify historic properties, assess adverse effects to them, and determine ways to avoid, minimize or mitigate adverse effects on historic properties.

Pursuant to guidelines issued by the National Park Service under the Abandoned Shipwreck Act (43 U.S.C. §§ 2101-2106), state and Federal agencies whose activities may disturb, alter, damage, or destroy State-owned shipwrecks must take into account the effect of the proposed activity on any state-owned shipwreck and afford the state agencies assigned management responsibility for state-owned shipwrecks a reasonable opportunity to comment on the proposed activity.

16.7 Clean Air Act (42 U.S.C. § 7401 et seq.), Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.) (Clean Water Act), and Executive Order 11738 ("Providing for administration of the Clean Air Act and the Federal Water Pollution Control Act with respect to Federal contracts, grants or loans")

Recipients must comply with the provisions of the Clean Air Act (42 U.S.C. §§ 7401 *et seq*.), Clean Water Act (33 U.S.C. §§ 1251 *et seq*.), and Executive Order 11738. Recipients shall not use a facility that the Environmental Protection Agency (EPA) has placed on EPA's List of Violating Facilities (this list is incorporated into the Excluded Parties List System which is part of SAM) in performing any Award that is nonexempt under subpart J of 2 C.F.R. part 1532.

16.8 The Flood Disaster Protection Act (42 U.S.C. § 4002 et seq.)

Flood insurance, when available, is required for Federally-assisted construction or acquisition in areas having special flood hazards and flood-prone areas. When required, recipients will ensure that flood insurance is secured for their project(s).

16.9 Executive Order 11988 ("Floodplain Management"), Executive Order 13690 ("Establishing a Federal Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input"), and Executive Order 11990 ("Protection of Wetlands")

Recipients must identify proposed actions located in a floodplain and/or wetlands to enable the Council to determine whether there is an alternative to minimize any potential harm.

Floodplains are identified through a climate-informed science approach, adding 2-3 feet of elevation to the 100-year floodplain, or using the 500-year floodplain.

16.10 Executive Order 13112 ("Invasive Species")

Federal agencies must identify actions that may affect the status of invasive species and use relevant programs and authorities to: (i) prevent the introduction of invasive species; (ii) detect and respond rapidly to and control populations of such species in a cost-effective and environmentally sound manner; (iii) monitor invasive species populations accurately and reliably; (iv) provide for restoration of native species and habitat conditions in ecosystems that have been invaded; (v) conduct research on invasive species and develop technologies to prevent introduction and provide for environmentally sound control of invasive species; and (vi) promote public education on invasive species and the means to address them. In addition, an agency may not authorize, fund, or carry out actions that it believes are likely to cause or promote the introduction or spread of invasive species in the United States or elsewhere.

16.11 The Coastal Zone Management Act (16 U.S.C. § 1451 et seq.)

Federally funded projects must be consistent with a coastal state's approved management program for the coastal zone.

16.12 The Coastal Barriers Resources Act (16 U.S.C. § 3501 et seq.)

Only in certain circumstances may Federal funding be provided for actions within a Coastal Barrier System. The Coastal Barriers Resources Act generally prohibits new Federal expenditures, including Federal grants, within specific units of the Coastal Barrier Resources System (CBRS). Although the Act restricts Federal expenditures for coastal barrier development, Section 6(a)(6)(A) contains an exemption for projects relating to the study, management, protection, or enhancement of fish and wildlife resources and habitats, including recreational projects. Section 6(a)(6)(G) also exempts nonstructural projects for shoreline stabilization that are designed to mimic, enhance or restore natural stabilization systems.

However, care must be taken when interpreting any exemptions described, as they are limited to projects that are consistent with the purpose of this Act as interpreted by the lead agency, Department of Interior. Applicants should work with the U.S. Fish and Wildlife Service, which reviews proposals to determine whether a project falls within a protected unit and if so, whether an exception applies. Maps of the CBRS are available through the interactive U.S. Fish and Wildlife Service Coastal Barrier Resources System Mapper. [15]

16.13 The Wild and Scenic Rivers Act (16 U.S.C. § 1271 et seq.)

This Act applies to Awards that may affect existing or proposed components of the National

[15] U.S. Fish and Wildlife Service Interactive Coastal Barrier Resources System Mapper - http://www.fws.gov/cbra/Maps/Mapper.html, verified 8/18/2015.

Wild and Scenic Rivers system. Funded projects in the National Wild and Scenic Rivers system must be consistent with Wild and Scenic Rivers Act requirements.

16.14 The Safe Drinking Water Act (42 U.S.C. § 300 et seq.)

The Sole Source Aquifer program under this statute precludes Federal financial assistance for any project that the EPA determines may contaminate a designated sole source aquifer through a recharge zone so as to create a significant hazard to public health.

16.15 The Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.)

This act regulates the generation, transportation, treatment, and disposal of hazardous wastes, and also provides that recipients of Federal funds that are state agencies or political subdivisions of states give preference in their procurement programs to the purchase of recycled products pursuant to EPA guidelines.

16.16 The Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) (42 U.S.C. § 9601 et seq.)

The Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) (42 U.S.C. § 9601 et seq.), as amended by the Community Environmental Response Facilitation Act, provides the President with broad, discretionary response authorities to address actual and threatened releases of hazardous substances, as well as pollutants and contaminants where there is an imminent and substantial danger to public health and the environment. Section 103 of this Act contains specific reporting requirements and responsibilities and section 117 of the Act contains specific provisions designed to ensure meaningful public participation in the response process.

16.17 Executive Order 12898 ("Environmental Justice in Minority Populations and Low Income Populations")

This Order identifies and addresses adverse human health or environmental effects of programs, policies and activities on low income and minority populations. Consistent with EO 12898, recipients may be requested to help identify and address, as appropriate, disproportionate impacts to low income and minority populations which could result from their project.

16.18 Rivers and Harbors Act (33 U.S.C. 407)

A permit may be required from the U.S. Army Corps of Engineers if the proposed activity involves any work in, over or under navigable waters of the United States. Recipients must identify any work (including structures) that will occur in, over or under navigable waters of the United States and obtain the appropriate permit, if applicable.

16.19 Marine Protection, Research and Sanctuaries Act (Pub. L. 92- 532, as amended), National Marine Sanctuaries Act (16 U.S.C. 1431 et seq.), and Executive Order 13089 ("Coral Reef Protection")

The Marine Protection, Research and Sanctuaries Act prohibits dumping of material into ocean waters beyond the territorial limit without a permit. Recipients must identify any potential ocean dumping of materials, obtain the appropriate permit, if applicable, and notify the Council. Under the National Marine Sanctuaries Act, Federal agencies are required to protect National Marine Sanctuary resources. Recipients must identify actions that are in or may affect a National Marine Sanctuary and notify the Council. EO 13089 requires that any actions authorized or funded by Federal agencies not degrade the condition of coral reef ecosystems. Recipients must identify any action that might affect a coral reef ecosystem and notify the Council.

16.20 Executive Order 13653 ("Preparing the United States for the Impacts of Climate Change")

This EO requires Federal agencies to identify and support smarter, more climate-resilient investments by States, local communities and tribes, including by providing incentives through agency guidance and grants. Recipients must identify and describe any project elements that promote climate resilience.

16.21 Farmland Protection Policy Act (7 U.S.C. 4201 et seq.)

This act requires agency programs, to the extent possible, be compatible with state, local and private programs and policies to protect farmland from irreversible conversion to nonagricultural uses. Recipients must identity any irreversible conversion of farmland to nonagricultural uses as a result of their project.

16.22 Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.)

During the planning of water resource development projects, agencies are required to give fish and wildlife resources equal consideration with other values. Additionally, the Fish and Wildlife Service and fish and wildlife agencies of States must be consulted whenever waters of any stream or other body of water are "proposed or authorized, permitted or licensed to be impounded, diverted… or otherwise controlled or modified" by any agency under a Federal permit or license.

17. Miscellaneous Requirements

17.1 Criminal and Prohibited Activities

a. The Program Fraud Civil Remedies Act (31 U.S.C. § 3801 *et seq.*), provides for the imposition of civil penalties against persons who make false, fictitious or fraudulent claims to the Federal Government for money (including money representing grants, loans or other benefits).
b. The False Claims Amendments Act and the False Statements Act (18 U.S.C. §§ 287 and 1001, respectively), provide that whoever makes or presents any false, fictitious or

fraudulent statement, representation or claim against the United States shall be subject to imprisonment of not more than five years and shall be subject to a fine in the amount provided by 18 U.S.C. § 287.

c. The Civil False Claims Act (31 U.S.C. § 3729 *et seq*.), provides that suits can be brought by the government, or a person on behalf of the government, for false claims made under Federal assistance programs.

d. The Copeland "Anti-Kickback" Act (18 U.S.C. § 874), prohibits a person or organization engaged in a Federally-supported project from enticing an employee working on the project from giving up a part of his compensation under an employment contract. The Copeland "Anti-Kickback" Act also applies to contractors and subcontractors pursuant to 40 U.S.C. § 3145.

17.2 Political Activities

The non-Federal entity must comply, as applicable, with provisions of the Hatch Act (5 U.S.C.
§§1501-1508) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

17.3 Drug-Free Workplace

The non-Federal entity shall comply with the provisions of the Drug-Free Workplace Act of 1988 (Pub. L. No. 100-690, Title V, Sec. 5153, as amended by Pub. L. No. 105-85, Div. A, Title VIII, Sec. 809, as codified at 41 U.S.C. § 8102) and any Council regulations and policies promulgated pursuant to its authority, which require that the non-Federal entity take steps to provide a drug-free workplace.

17.4 Foreign Travel

a. The non-Federal entity may not use funds from this Award for travel outside of the United States unless the Grants Officer provides prior written approval. The non-Federal entity shall comply with the provisions of the Fly America Act (49 U.S.C. § 40118). The implementing regulations of the Fly America Act are found at 41 C.F.R. §§ 301-10.131 through 301-10.143.

b. The Fly America Act requires that Federal travelers and others performing U.S. Government-financed air travel must use U.S. flag air carriers, to the extent that service by such carriers is available. Foreign air carriers may be used only in specific instances, such as when a U.S. flag air carrier is unavailable, or use of U.S. flag air carrier service will not accomplish the agency's mission.

c. One exception to the requirement to fly U.S. flag carriers is transportation provided under a bilateral or multilateral air transport agreement, to which the United States Government and the government of a foreign country are parties, and which the Department of Transportation has determined meets the requirements of the Fly America Act pursuant to 49 U.S.C. § 40118(b). The United States Government has entered into bilateral/multilateral "Open Skies Agreements" (U.S. Government Procured

Transportation) that allow Federally-funded transportation services for travel and cargo movements to use foreign air carriers under certain circumstances. There are multiple "Open Skies Agreements" currently in effect. For more information about the current bilateral and multilateral agreements, visit the GSA website.[16] Information on the Open Skies agreements (U.S. Government Procured Transportation) and other specific country agreements may be accessed via the Department of State's website. [17]

d. If a foreign air carrier is anticipated to be used for any portion of travel under a Council financial assistance Award the non-Federal entity must obtain prior written approval from the Grants Officer. When requesting such approval, the non-Federal entity must provide a justification in accordance with guidance provided by 41 C.F.R. § 301-10.142, which requires the non-Federal entity to provide the Grants Officer with the following: name; dates of travel; origin and destination of travel; detailed itinerary of travel; name of the air carrier and flight number for each leg of the trip; and a statement explaining why the non-Federal entity meets one of the exceptions to the regulations. If the use of a foreign air carrier is pursuant to a bilateral agreement, the non-Federal entity must provide the Grants Officer with a copy of the agreement or a citation to the official agreement available on the GSA website. The Grants Officer shall make the final determination and notify the non-Federal entity in writing. Failure to adhere to the provisions of the Fly America Act will result in the non-Federal entity not being reimbursed for any transportation costs for which the non-Federal entity improperly used a foreign air carrier.

17.5 Increasing Seat Belt Use in the United States

Pursuant to EO 13043, recipients should encourage employees and contractors to enforce on-the-job seat belt policies and programs when operating company-owned, rented or personally owned vehicles.

17.6 Research Involving Human Subjects

a. All proposed research involving human subjects must be conducted in accordance with 15 C.F.R. part 27 "Protection of Human Subjects." No research involving human subjects is permitted under this Award unless expressly authorized by special Award condition, or otherwise in writing by the Grants Officer.

b. Federal policy defines a human subject as a living individual about whom an investigator conducting research obtains (1) data through intervention or interaction with the individual, or (2) identifiable private information. Research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge.

c. Department of Commerce regulations at 15 C.F.R. part 27, applying to all Federal departments and agencies, require that recipients maintain appropriate policies and procedures for the protection of human subjects. In the event it becomes evident that

[16] GSA Fly America Act website - http://www.gsa.gov/portal/content/103191, verified 8/18/2015.

[17] Department of State Open Skies Agreements website - http://www.state.gov/e/eb/tra/ata/index.htm, verified 8/18/2015.

human subjects may be involved in this project, the non-Federal entity shall submit appropriate documentation to the Federal Program Officer for approval by the appropriate Council officials. This documentation may include:

1. Documentation establishing approval of the project by an institutional review board (IRB) approved for Federal-wide use under Department of Health and Human Services guidelines (*see also* 15 C.F.R. § 27.103);

2. Documentation to support an exemption for the project under 15 C.F.R. § 27.101(b);
3. Documentation to support deferral for an exemption or IRB review under 15 C.F.R. § 27.118;
4. Documentation of IRB approval of any modification to a prior approved protocol or to an informed consent form.

d. No work involving human subjects may be undertaken or conducted, or costs incurred and/or charged for human subjects research, until the appropriate documentation is approved in writing by the Grants Officer. Notwithstanding this prohibition, work may be initiated or costs incurred and/or charged to the project for protocol or instrument development related to human subjects research.

17.7 Federal Employee Expenses

Federal agencies are generally barred from accepting funds from a non-Federal entity to pay transportation, travel or other expenses for any Federal employee. Use of Award funds (Federal or non- Federal) or the non-Federal entity's provision of in-kind goods or services, for the purposes of transportation, travel or any other expenses for any Federal employee may raise appropriation augmentation issues. In addition, Council policy prohibits the acceptance of gifts, including travel payments for Federal employees, from recipients or applicants, regardless of the source.

17.8 Minority Serving Institutions Initiative

Pursuant to EOs 13555 ("White House Initiative on Educational Excellence for Hispanics"), 13270 ("Tribal Colleges and Universities"), and 13532 ("Promoting Excellence, Innovation, and Sustainability at Historically Black Colleges and Universities"), the Council is strongly committed to broadening the participation of minority serving institutions (MSIs) in its financial assistance programs. The Council's goals include achieving full participation of MSIs in order to advance the development of human potential, strengthen the Nation's capacity to provide high-quality education, and increase opportunities for MSIs to participate in and benefit from Federal financial assistance programs. The Council encourages all recipients to include meaningful participation of MSIs. Institutions eligible to be considered MSIs are listed on the Department of Education website.

17.9 Research Misconduct

The Council adopts, and applies to financial assistance Awards for research, the Federal Policy on Research Misconduct (Federal Policy) issued by the Executive Office of the President's Office of Science and Technology Policy on December 6, 2000 (65 FR 76260). As provided for in the Federal Policy, research misconduct refers to the fabrication, falsification or

plagiarism in proposing, performing or reviewing research, or in reporting research results. Research misconduct does not include honest errors or differences of opinion. Non-Federal entities that conduct extramural research funded by the Council must foster an atmosphere conducive to the responsible conduct of sponsored research by safeguarding against and resolving allegations of research misconduct. Non-Federal entities also have the primary responsibility to prevent, detect and investigate allegations of research misconduct and, for this purpose, may rely on their internal policies and procedures, as appropriate, to do so. Federal Award funds expended on an activity that is determined to be invalid or unreliable because of research misconduct may result in appropriate enforcement action under the Award, up to and including Award termination and/or suspension or debarment. The Council requires that any allegation that contains sufficient information to proceed with an inquiry be submitted to the Grants Officer, who will also notify the Treasury OIG of such allegation. Once the non-Federal entity has investigated the allegation, it shall submit its findings to the Grants Officer. The Council may accept the non-Federal entity's findings or proceed with its own investigation. The Grants Officer will inform the non-Federal entity of the Council's final determination.

17.10 Publications, Videos, Signage and Acknowledgment of Sponsorship

a. Publication of results or findings in appropriate professional journals and production of video or other media is encouraged as an important method of recording, reporting and otherwise disseminating information and expanding public access to Federally-funded projects (*e.g.*, scientific research).
b. Recipients are required to submit a copy of any publication materials, including but not limited to print, recorded or Internet materials, to the Council.
c. When releasing information related to a funded project, recipients must include a statement that the project or effort undertaken was or is sponsored by the Council.
d. Any signage produced with funds from the Award or informing the public about the activities funded in whole or in part by the Award, must first be approved in writing by the Grants Officer.
e. Recipients are responsible for assuring that every publication of material based on, developed under, or otherwise produced under a Council financial assistance Award, except scientific articles or papers appearing in scientific, technical or professional journals, contains the following disclaimer or other disclaimer approved in writing by the Grants Officer:

   This [report/video/etc.] was prepared by [non-Federal entity name] using Federal funds under Award [number] from the RESTORE Council. The statements, findings, conclusions, and recommendations are those of the author(s) and do not necessarily reflect the views of the RESTORE Council.

17.11 Care and Use of Live Vertebrate Animals

Recipients must comply with the Laboratory Animal Welfare Act of 1966, as amended, (Pub. L. No. 89- 544, 7 U.S.C. § 2131 *et seq*.) (animal acquisition, transport, care, handling, and use in projects), and implementing regulations, 9 C.F.R. Parts 1, 2, and 3; the Endangered Species

Act (16 U.S.C. § 1531 *et seq*.); Marine Mammal Protection Act (16 U.S.C. § 1361 *et seq*.) (taking possession, transport, purchase, sale, export or import of wildlife and plants); the Nonindigenous Aquatic Nuisance Prevention and Control Act (16 U.S.C. § 4701 *et seq*.) (ensure preventive measures are taken or that probable harm of using species is minimal if there is an escape or release); and all other applicable statutes pertaining to the care, handling and treatment of warm-blooded animals held for research, teaching or other activities supported by Federal financial assistance. No research involving vertebrate animals is permitted under any Council financial assistance Award without the prior written approval of the Grants Officer.

17.12 Homeland Security Presidential Directive 12

If the performance of a grant Award requires non-Federal entity personnel to have routine access to Federally-controlled facilities and/or Federally-controlled information systems (for purpose of this term "routine access" is defined as more than 180 days), such personnel must undergo the personal identity verification credential process. In the case of foreign nationals, the Council will conduct a check with U.S. Citizenship and Immigration Services' (USCIS) Verification Division, a component of the Department of Homeland Security (DHS), to ensure that the individual is in a lawful immigration status and that he or she is eligible for employment within the United States. Any items or services delivered under a financial assistance Award shall comply with the Council personal identity verification procedures that implement Homeland Security Presidential Directive 12, "Policy for a Common Identification Standard for Federal Employees and Contractors," FIPS PUB 201, and OMB Memorandum M-05-24. The non-Federal entity shall ensure that its Subrecipients and contractors (at all tiers) performing work under this Award comply with the requirements contained in this term. The Grants Officer may delay final payment under an Award if the Subrecipient or contractor fails to comply with the requirements provided below. The non-Federal entity shall insert the following term in all subAwards and contracts when the subAward non-Federal entity or contractor is required to have routine physical access to a Federally- controlled facility or routine access to a Federally-controlled information system:

a. *The Subrecipient or contractor shall comply with the Council personal identity verification procedures identified in the subAward or contract that implement Homeland Security Presidential Directive 12 (HSPD-12), Office of Management and Budget (OMB) Guidance M-05-24, as amended, and Federal Information Processing Standards Publication (FIPS PUB) Number 201, as amended, for all employees under this subAward or contract who require routine physical access to a Federally-controlled facility or routine access to a Federally-controlled information system.*

b. *The Subrecipient or contractor shall account for all forms of Government-provided identification issued to the Subrecipient or contractor employees in connection with performance under this subAward or contract. The Subrecipient or contractor shall return such identification to the issuing agency at the earliest of any of the following,*

unless otherwise determined by the Council: (1) When no longer needed for subAward or contract performance; (2) Upon completion of the Subrecipient or contractor employee's employment; or (3) Upon subAward or contract completion or termination.

17.13 Compliance with Department of Commerce Bureau of Industry and Security Export Administration Regulations

a. This clause applies to the extent that this financial assistance Award involves access to export- controlled items.
b. In performing this financial assistance Award, the non-Federal entity may gain access to items subject to export control (export-controlled items) under the Export Administration Regulations (EAR). The non-Federal entity is responsible for compliance with all applicable laws and regulations regarding export-controlled items, including the EAR's deemed exports and reexports provisions. The non-Federal entity shall establish and maintain effective export compliance procedures at Council and non-Council facilities throughout performance of the financial assistance Award. At a minimum, these export compliance procedures must include adequate controls of physical, verbal, visual, and electronic access to export-controlled items, including by foreign nationals.
c. Definitions
    1. Export-controlled items. Items (commodities, software, or technology), that are subject to the EAR (15 C.F.R. §§ 730-774), implemented by the Department of Commerce's Bureau of Industry and Security. These are generally known as "dual-use" items, items with both a military and commercial application.
    2. Deemed Export/Reexport. The EAR defines a deemed export as a release of export-controlled items (specifically, technology or source code) to a foreign national in the U.S. Such release is "deemed" to be an export to the home country of the foreign national. 15 C.F.R. § 734.2(b)(2)(ii). A release may take the form of visual inspection, oral exchange of information, or the application abroad of knowledge or technical experience acquired in the U.S. If such a release occurs abroad, it is considered a deemed reexport to the foreign national's home country. Licenses may be required for deemed exports or reexports.
d. The non-Federal entity shall control access to all export-controlled items that it possesses or that comes into its possession in performance of this financial assistance Award, to ensure that access to, or release of, such items are restricted, or licensed, as required by applicable Federal laws, EOs, and/or regulations, including the EAR.
e. As applicable, non-Federal entity personnel and associates at Council sites shall be informed of any procedures to identify and protect export-controlled items.
f. To the extent the non-Federal entity wishes to provide foreign nationals with access to export- controlled items, the non-Federal entity shall be responsible for obtaining any necessary licenses, including licenses required under the EAR for deemed exports or deemed reexports.
g. Nothing in the terms of this financial assistance Award is intended to change, supersede, or waive the requirements of applicable Federal laws, EOs or regulations.

h. Compliance with the foregoing will not satisfy any legal obligations the non-Federal entity may have regarding items that may be subject to export controls administered by other agencies such as the Department of State, which has jurisdiction over exports of munitions items subject to the International Traffic in Arms Regulations (ITAR) (22 C.F.R. §§ 120-130), including releases of such items to foreign nationals.

i. The non-Federal entity shall include this Subsection .13, including this Subparagraph i, in all lower tier transactions (subAwards, contracts, and subcontracts) under this financial assistance Award that may involve access to export-controlled items.

17.14 The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(g)), as amended, and the implementing regulations at 2 C.F.R. part 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal Government, if the non-Federal entity engages in certain activities related to trafficking in persons. The Council incorporates the following Award term required by 2 C.F.R. § 175.15(b).[18]

Award Term from 2 C.F.R. § 175.15(b):

I. Trafficking in persons.

a. Provisions applicable to a non-Federal entity that is a private entity.

1. You as the non-Federal entity, your employees, Subrecipients under this Award, and Subrecipients' employees may not—

i. Engage in severe forms of trafficking in persons during the period of time that the Award is in effect;

ii. Procure a commercial sex act during the period of time that the Award is in effect; or

iii. Use forced labor in the performance of the Award or subAwards under the Award.

2. We as the Federal Awarding agency may unilaterally terminate this Award, without penalty, if you or a Subrecipient that is a private entity —

i. Is determined to have violated a prohibition in paragraph a.1 of this Award term; or

ii. Has an employee who is determined by the agency official authorized to terminate the Award to have violated a prohibition in paragraph a.1 of this Award term through conduct that is either— (A) Associated with performance under this Award; or (B) Imputed to you or the Subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension

[18] See 2 C.F.R. § 175.15(b) - http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf, verified 8/18/2015.

(Nonprocurement)," as implemented by our agency at 2 C.F.R. Part 1326, "Nonprocurement Debarment and Suspension."

b. Provision applicable to a non-Federal entity other than a private entity. We as the Federal Awarding agency may unilaterally terminate this Award, without penalty, if a Subrecipient that is a private entity—
   1. Is determined to have violated an applicable prohibition in paragraph a.1 of this Award term; or
   2. Has an employee who is determined by the agency official authorized to terminate the Award to have violated an applicable prohibition in paragraph a.1 of this Award term through conduct that is either—
      i. Associated with performance under this Award; or
      ii. Imputed to the Subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 C.F.R. Part 1326, "Nonprocurement Debarment and Suspension."

c. Provisions applicable to any non-Federal entity.
   1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this Award term.
   2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
      i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
      ii. Is in addition to all other remedies for noncompliance that are available to us under this Award.
   3. You must include the requirements of paragraph a.1 of this Award term in any subAward you make to a private entity.

d. Definitions. For purposes of this Award term:
   1. Employee means either:
      i. An individual employed by you or a Subrecipient who is engaged in the performance of the project or program under this Award; or
      ii. ii. Another person engaged in the performance of the project or program under this Award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
   2. Forced labor means: labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
   3. Private entity:

i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 C.F.R. 175.25;

ii. Includes: (A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 C.F.R. 175.25(b); and (B) A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

17.15 The Federal Funding Accountability and Transparency Act of 2006 ("Transparency Act" or FFATA)—Public Law 109-282, as amended by section 6202(a) of Public Law 110-252 (31 U.S.C. 6101)

a. Searchable Website Requirements. The Federal Funding Accountability and Transparency Act of 2006 (FFATA) requires information on Federal Awards (Federal financial assistance and expenditures) be made available to the public via a single, searchable website. This information is available at the USA Spending website.[19] Recipients and Subrecipients must include the following required data elements in their application:

Name of entity receiving Award;

- Award amount;
- Transaction type, funding agency, Catalog of Federal Domestic Assistance Number, and descriptive Award title;
- Location of entity, primary location of performance (City/State/Congressional District/Country); and
- Unique identifier of entity.

b. Reporting SubAwards and Executive Compensation. Prime grant recipients Awarded a new Federal grant greater than or equal to $25,000 on or after October 1, 2010, other than those funded by the Recovery Act, are subject to FFATA subAward reporting requirements as outlined in the OMB guidance issued August 27, 2010. The prime non-Federal entity is required to file a FFATA subAward report by the end of the month following the month in which the prime non-Federal entity Awards any sub-grant greater than or equal to $25,000. *See* Pub. L. No. 109-282, as amended by section 6202(a) of Pub. L. No. 110-252 (*see* 31 U.S.C. 6101 note). The reporting requirements are located in Appendix A of 2 C.F.R. Part 170.[20]

Award Term from Appendix A of 2 C.F.R. Part 170:

I. Reporting SubAwards and Executive Compensation.

[19] USASpending.gov website - www.USASpending.gov, verified 8/18/2015.
[20] 2 C.F.R. § 170.320 on GPO website - http://www.gpo.gov/fdsys/pkg/CFR-2011-title2-vol1/pdf/CFR-2011-title2-vol1-part170-appA.pdf, verified 8/18/2015

a. Reporting of first-tier subAwards.
   1. Applicability. Unless you are exempt as provided in paragraph d. of this Award term, you must report each action that obligates $25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111–5) for a subAward to an entity (*see* definitions in paragraph e. of this Award term).
   2. Where and when to report.
      i. You must report each obligating action described in paragraph a.1 of this Award term to the FFATA SubAward Reporting System (FSRS).[21]
      ii. For subAward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
   3. What to report. You must report the information about each obligating action that the submission instructions posted at the FSRS website specify.
b. Reporting Total Compensation of Non-Federal Entity Executives.
   1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—
      i. the total Federal funding authorized to date under this Award is $25,000 or more;
      ii. in the preceding fiscal year, you received—
         (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. 170.320 (and subAwards); and
         (B) $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. 170.320 (and subAwards); and

      iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, *see* the U.S. Security and Exchange

[21] Federal Funding Accountability and Transparency Act SubAward Reporting System - http://www.fsrs.gov, verified 8/18/2015.

Commission total compensation filings.[22])

2. Where and when to report. You must report executive total compensation described in paragraph b.1 of this Award term:
   i. As part of your registration profile in the System for Award Management (SAM),[23]
   and
   ii. By the end of the month following the month in which this Award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.
   1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this Award term, for each first-tier Subrecipient under this Award, you shall report the names and total compensation of each of the Subrecipient's five most highly compensated executives for the Subrecipient's preceding completed fiscal year, if—
      i. In the Subrecipient's preceding fiscal year, the Subrecipient received—
         (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. 170.320 (and subAwards); and
         (B) $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subAwards); and
      ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, *see* the U.S. Security and Exchange Commission total compensation filings at http://www.sec.gov/answers/execomp.htm.)
   2. Where and when to report. You must report Subrecipient executive total compensation described in paragraph c.1. of this Award term:
      i. To the non-Federal entity.
      ii. By the end of the month following the month during which you make the subAward. For example, if a subAward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the Subrecipient by November 30 of that year.

[22] U.S. Security and Exchange Commission Executive Compensation "Fast Facts" - http://www.sec.gov/answers/execomp.htm, verified on 8/18/2015.
[23] System for Award Management (SAM) - https://www.sam.gov, verified on 8/18/2015.

d. Exemptions. If, in the previous tax year, you had gross income, from all sources, under
$300,000, you are exempt from the requirements to report: i. SubAwards, and ii. The total compensation of the five most highly compensated executives of any Subrecipient.

e. Definitions. For purposes of this Award term:
   1. Entity means all of the following, as defined in 2 C.F.R. part 25:
      i. A Governmental organization, which is a State, local government, or Indian tribe;
      ii. A foreign public entity;
      iii. A domestic or foreign nonprofit organization;
      iv. A domestic or foreign for-profit organization;
      v. A Federal agency, but only as a Subrecipient under an Award or subAward to a non- Federal entity.
   2. Executive means officers, managing partners, or any other employees in management positions.
   3. SubAward:
      i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this Award and that you as the non-Federal entity Award to an eligible Subrecipient.
      ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* 2 C.F.R. § 200.331).
      iii. A subAward may be provided through any legal agreement, including an agreement that you or a Subrecipient considers a contract.
   4. Subrecipient means an entity that:
      i. Receives a subAward from you (the non-Federal entity) under this Award; and
      ii. Is accountable to you for the use of the Federal funds provided by the subAward.
   5. Total compensation means the cash and noncash dollar value earned by the executive during the non-Federal entity's or Subrecipient's preceding fiscal year and includes the following (for more information *see* 17 C.F.R. 229.402(c)(2)):
      i. Salary and bonus.
      ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds $10,000.

c. System for Award Management (SAM) and Universal Identifier requirements.

1. Requirement for SAM. Unless you are exempted from this requirement under 2 C.F.R. § 25.110, you as the recipient must maintain the currency of your information in the SAM until you submit the final financial report required under this Award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another Award term.

2. Requirement for unique entity identifier. If you are authorized to make subAwards under this Award, you:

   i. Must notify potential Subrecipients that no entity (see definition in paragraph C of this Award term) may receive a subAward from you unless the entity has provided its unique entity identifier to you.

   ii. May not make a subAward to an entity unless the entity has provided its unique entity identifier to you.

3. Definitions for purposes of this Award term:

   i. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the System for Award Management Internet site.[24]

   ii. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.

   iii. Entity, as it is used in this Award term, means all of the following, as defined at 2 C.F.R. part 25, subpart C:

      (A) A Governmental organization, which is a State, local government, or Indian Tribe;

      (B) A foreign public entity;

      (C) A domestic or foreign nonprofit organization;

[24] System for Award Management (SAM) - https://www.sam.gov, verified on 8/18/2015

(D) A domestic or foreign for-profit organization; and

(E) A Federal agency, but only as a Subrecipient under an Award or subAward to a non-Federal entity.

iv. SubAward:

(A) This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this Award and that you as the non-Federal entity Award to an eligible Subrecipient.

(B) The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* 2 C.F.R. § 200.331).

(C) A subAward may be provided through any legal agreement, including an agreement that you consider a contract.

v. Subrecipient means an entity that:

(A) Receives a subAward from you under this Award; and

(B) Is accountable to you for the use of the Federal funds provided by the subAward.

17.16 Federal Financial Assistance Planning During a Funding Hiatus or Government Shutdown

This term sets forth initial guidance that will be implemented for Federal assistance Awards in the event of a lapse in appropriations, or a government shutdown. The Grants Officer may issue further guidance prior to an anticipated shutdown.

a. Unless there is an actual rescission of funds for specific grant obligations, recipients of Federal financial assistance Awards for which funds have been obligated generally will be able to continue to perform and incur allowable expenses under the Award during a funding hiatus. Recipients are advised that ongoing activities by Federal employees involved in grant administration (including payment processing) or similar operational and administrative work cannot continue when there is a funding lapse. Therefore, there may be delays, including payment processing delays, in the event of a shutdown.

b. All Award actions will be delayed during a government shutdown; if it appears that a non-Federal entity's performance under a grant or cooperative agreement will require agency involvement, direction or clearance during the period of a possible government shutdown, the Program Officer or Grants Officer, as appropriate, may attempt to provide such involvement, direction, or clearance prior to the shutdown or advise recipients that such involvement, direction, or clearance will not be forthcoming during the shutdown. Accordingly, recipients whose ability to withdraw funds is subject to prior agency approval, which in general are recipients that have been designated high risk, recipients of construction Awards, or are otherwise limited to reimbursements or subject to agency review, will be able draw funds down from the relevant Automatic Standard Application for Payment (ASAP) account only if agency approval is given and coded into ASAP prior

to any government shutdown or closure. This limitation may not be lifted during a government shutdown. Recipients should plan to work with the Grants Officer to request prior approvals in advance of a shutdown wherever possible. Recipients whose authority to draw down Award funds is restricted may decide to suspend work until the government reopens.

c. The ASAP system may remain operational during a government shutdown. As applicable, recipients that do not require Council approval to draw down advance funds from their ASAP accounts may be able to do so during a shutdown. The 30-day limitation on the drawdown of advance funds will apply notwithstanding a government shutdown and advanced funds held for more than 30 days shall be returned with interest.

18. Certifications

At a minimum, the non-Federal entity must comply with the certifications and requirements in 31 C.F.R.§ 34.802, assurances (Forms SF-424B and SF-424D, or equivalent, as applicable), and any required Council-specific certifications. Other certifications may be required by 2 C.F.R. part 200. Certifications must be signed by an authorized senior official of the entity receiving grant funds who can legally bind the organization or entity, and who has oversight for the administration and use of the funds in question.

ACCOUNTING AND FINANCIAL MANAGEMENT POLICY

of

The Gulf Consortium

June ~~2021~~2022

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DEFINITIONS

The following terms defined in this section shall have the meanings set forth below whenever they appear in the Gulf Consortium Policies:

1. "Board" means the Board of Directors of the Gulf Consortium.

2. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

3. "Cash Receipts Log" refers to a log maintained specifically to record all receipts of cash and only cash.

4. "Consortium" shall mean the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

5. "Contractor/Consultant" means any person having a contract with the Consortium.

6. "Data" means recorded information, regardless of form or characteristic.

7. "Disbursements Register" refers to a check register, also called a cash disbursements journal, which is the official record used to record all of the checks, cash payments, and outlays of cash during an accounting period.

8. "Finance Manager" shall refer to the staff so designated by the entity contracted to provide accounting and financial management services for the Consortium.

9. "Fiscal Agent" shall refer to the part designated and contractually retained to perform cash receipt and disbursement activities related to Treasury funds.

10. "General Ledger" refers to the master set of accounts that summarize all transactions occurring within the Consortium or any business or public entity.

11. "General Counsel" shall refer to the person or persons retained to provide legal counsel to the Consortium.

12. "General Manager" shall refer to the staff so designated by the entity contracted to provide General Manager services for the Consortium.

13. "Generally Accepted Auditing Standards" refers to the rules that govern auditing practices in the United States. The Auditing Standards Board, a part of the American

Institute of Certified Public Accountants, creates GAAS to establish auditing practice standards and rules.

14. "Grants Administrator" shall refer to the staff so designated by the entity contracted to provide programmatic and implementation service for Consortium grants.

15. "Grant Agreement" shall refer to the contract document between The Consortium and the county, memorializing the terms of a grant award.

16. "Job Cost Detail Ledger" refers to the job cost accounting system ledgers which provide transaction detail that is able to be segregated into direct and indirect costs and is able to produce reports, for each or any of individual grant project. All charges shown in the Job Cost Detail Ledger must be traceable both to source documentation, such as timesheets for labor costs or evidence of receipt, billing, and payment for direct expenses, and to General Ledger accounts.

17. "Local Government Prompt Payment Act" refers to Florida Statutes 218.70-218.80, which specifies time periods for payments of various types of invoices.

18. "Member County" shall mean a county which is a member of the Gulf Consortium, created under the Florida Interlocal Cooperation Act (Part I of Chapter 163, Florida Statutes) and the Interlocal Agreement entered into by its members on September 12, 2012.

19. "Negotiated Indirect Cost Rate" refers to an indirect cost rate that has been formally established with a federal agency in accordance with 2 CFR 200, Subpart F, Appendix 4, Section C.2.f., which states that provisional and final rates must be negotiated where neither predetermined nor fixed rates are appropriate. Counties may have a Negotiated Indirect Cost Rate (or NICRA) already established due to prior Federal awards or other federally funded programs. Where counties do not have an established Indirect Cost Rate with a federal agency, a De minimis 10% rate may be used. The 10% De minimis rate may be elected by an organization that has never received a negotiated indirect cost rate. 2 CFR 200, Subpart E, Section 200.414 (f) specifies that any non-Federal entity that has never received a negotiated indirect cost rate may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely.

20. "Person" means any business, individual, committee, club, other organization, or group of individuals.

21. "Procurement Manager" means an individual designated by the General Manager duly authorized to enter into and administer contracts and make written determinations with respect thereto under the terms of the Procurement policies of the Consortium.

22. "Procurement" means buying, procuring, leasing, or otherwise acquiring any materials, supplies, services, or equipment. It also includes all functions that pertain to the obtaining of any material, supplies, services, construction, and equipment, including description of specifications and requirements, selection and solicitation of resources, preparation, and award of contract.

23. "Property Register" shall refer to a log maintained which includes a description of all real property acquired with federal funding assistance. The register must be maintained accurately at all times and shall be submitted annually as a federal reporting requirement.

24. "Purchase Order" means that document used by the Consortium to request that a contract be entered into for a specified need, and may include, but not be limited to, the technical description of the requested item, delivery schedule, transportation, criteria for evaluation, payment terms, and other specifications.

25. "RESTORE ACT (Pot 3) funds" refers to the 30% of the Gulf Coast Restoration Trust Fund, established by the RESTORE Act, to fund economic and environmental recovery of the Gulf Coast region impacted by the Deepwater Horizon Oil Spoil. Pot 3 funds are managed separately by each of the Gulf Coast states. The Gulf Consortium is Florida's designated agency to administer Pot 3 funds.

26. "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than those which is not defined as supplies and which are merely incidental to the required performance.

27. "Specification" means any description of the physical or functional characteristics of the nature of a material, supply, service, construction, or equipment item. It may include a description of any requirement for inspection, testing, recycled, or degradable materials content, or preparing a material, supply, service, construction, or equipment item for delivery.

AFM-1. FINANCIAL MANAGEMENT FOR FEDERAL REQUIREMENTS

AFM-1.1 The Gulf Consortium's information and accounting systems are designed to meet all federal program requirements, including reporting requirements.

AFM-1.1.1 The accounting and financial management systems shall follow Generally Accepted Accounting Principles (GAAP).

AFM-1.1.2 The accounting system shall be fund accounting which is a form of accrual accounting for non-profits Each income stream is given its own accounting code.

AFM-1.1.3 The accounting and financial management systems shall support Generally Accepted Auditing Standards (GAAS).

AFM-1.2 The Gulf Consortium shall produce regular financial statements.

AFM-1.2.1 Fiscal year to date financial statements shall be presented to the Board at each meeting for review and approval.

AFM-1.2.2 Annual financial statements shall be presented to the Board for review and approval following the end of each fiscal year and made available for the Consortium's annual audit.

AFM-1.3 The Gulf Consortium's financial management system shall be maintained in a manner sufficient to permit preparation of reports required by all applicable statutes, regulations and grant agreements.

AFM-1.4. Tracking of specific grant funding for each project and County will be maintained and reconciled on a monthly basis.

AFM-1.4.1 Corresponding financial reports shall be presented to the Board at each meeting.

AFM-1.5 Tracking of Gulf Consortium funding against Trust Fund availability shall be maintained and reconciled on a quarterly basis.

AFM-1.5.1 Due to federal reporting cycles, the quarterly reconciliation shall be completed not more than 15 days following the available of Trust Fund balance information from the Council.

AFM-1.5.1 Corresponding financial reports shall be presented at the next Board meeting following the quarterly reconciliation.

AFM-1.6 Tracking of required funding from non-Consortium sources shall be maintained and reconciled quarterly.

AFM-1.6.1 Where projects have been identified in the grant application as relying on both Pot 3 and other funding, the Consortium is responsible for monitoring the status of external funding. Corresponding financial reports shall be presented to the Board at each meeting.

AFM-2. TRACKING OF ALLOWABLE OR UNALLOWABLE COSTS

AFM-2.1 The accounting system of the Gulf Consortium shall designate a project number for all direct expenses associated with each specific project.

AFM-2.2 All recorded costs entered into the Gulf Consortium's accounting system shall be classified as either allowable or unallowable costs, in accordance with 2 CFR § 200.403.

AFM-2.2.1 Determination of allowable or unallowable costs is the responsibility of the Finance Manager.

AFM-2.2.2 Actual expenditures or outlays shall be compared to budgeted amounts for each grant

AFM-2.3 Allowable costs shall be tracked against specific grant budgets.

AFM-2.4 Unallowable costs shall be tracked against Gulf Consortium budget.

AFM-2.5 The Finance Manager will ensure that sufficient funding exists for all costs incurred prior to approval for payment.

AFM-3. TRACKING OF DIRECT COSTS

AFM-3.1 Direct costs shall be defined in accordance with 2 CFR § 200.413, as those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

AFM-3.2 Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect facilities and administration (F&A) costs. See also 2 CFR § 200.405, Allocable costs, and 2 CFR § 200.412, Classification of costs.

AFM-3.3 Identification with the Federal award, rather than the nature of the goods and services involved, is the determinative factor in distinguishing direct from indirect (F&A) costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, and the costs of materials and other items of expense incurred for the Federal award. If directly related to a specific award, certain costs that otherwise would be treated as indirect costs may be treated as direct costs, including extraordinary utility consumption, the cost of materials supplied from stock or services rendered by specialized facilities, or other institutional service operations.

The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

1. Administrative or clerical services are integral to a project or activity;
2. Individuals involved can be specifically identified with the project or activity;
3. Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
4. The costs are not also recovered as indirect costs.

AFM-3.4 Minor items. Any direct cost of minor amount may be treated as an indirect (F&A) cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all Federal and non-Federal cost objectives.

AFM-3.5 The costs of certain activities are not allowable as charges to Federal awards. However, even though these costs are unallowable for purposes of computing charges to Federal awards, they nonetheless must be treated as direct costs for purposes of determining indirect (F&A) cost rates and be allocated their equitable share of the non-Federal entity's indirect costs if they represent activities which:

1. Include the salaries of personnel,
2. Occupy space, and
3. Benefit from the non-Federal entity's indirect (F&A) costs.

AFM-3.6 For nonprofit organizations, specific rules apply. See 2 CFR 200.413(f).

AFM-4. TRACKING OF INDIRECT (F&A) COSTS

AFM-4.1 Indirect costs shall be defined in accordance with 2 CFR § 200.414, which refers also to "F&A," or Facilities and Administration costs. Indirect costs are those that have been incurred for common or joint objectives. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those remaining to be allocated to benefitted cost objectives. A cost may not be allocated to a Federal award as an indirect cost if any other cost incurred for the same purpose in like circumstances has been assigned to a Federal award as a direct cost.

1. "Facilities" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses.
2. "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of

expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable).

3. For nonprofit organizations, library expenses are included in the "Administration" category; for institutions of higher education, they are included in the "Facilities" category.

AFM-4.2 It is not possible to specify the types of cost which may be classified as indirect (F&A) cost in all situations. Identification with a Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs of Federal awards. However, typical examples of indirect (F&A) cost may include depreciation on buildings and equipment, the costs of operating and maintaining facilities, and general administration and general expenses, such as the salaries and expenses of executive officers, personnel administration, and accounting.

AFM-5. FEDERAL AGENCY ACCEPTANCE OF NEGOTIATED INDIRECT COST RATES

AFM-5.1 Subrecipients may have a Negotiated Indirect Cost Rate (NICR) with the Federal awarding agencies. State and local governments generally will have an Indirect Cost Rate with the Federal government. Classification of NICR costs shall ensure compliance with specific grant requirements, if applicable.

AFM-6. CASH MANAGEMENT

AFM-6.1 The Leon County Clerk of Courts (Clerk) shall serve as the designated fiscal agent to the Gulf Consortium and shall be the direct recipient of treasury funds and shall process disbursements. The Clerk's responsibilities and obligations as fiscal agent to the Consortium are further described in a binding interlocal agreement between the Consortium and the Clerk.

AFM-6.1.1 The fiscal agent shall establish a separate non-interest bearing account used for the receipt of RESTORE ACT (Pot 3) funds only.

AFM-6.1.2 The fiscal agent shall provide distribution and paying agent services to effectuate payments and receive money from the Trust Fund.

AFM-6.1.3 The fiscal agent is compensated pursuant to a contractual agreement between the Gulf Consortium and the Leon County Clerk of Courts.

AFM-6.1.4 The Consortium shall establish a designated Payment Account held separately from other Consortium funds used only to pay or reimburse approved disbursements. Monthly bank statements for such Payment Account shall be sent to the Consortium and to the Clerk.

AFM-6.1.5 The Consortium shall provide for the electronic transfer of funds into the Payment Account.

AFM-6.1.6 The Consortium shall ensure that the Clerk has access to the Payment Account for purposes of processing payments (either through writing checks, ACH or direct deposits), monitoring transactions, and effectuating any necessary stop payments; provided, however, the Clerk shall not have wire transfer access to the Payment Account.

AFM-6.1.7 The Consortium shall provide the Clerk with an electronic signature for check printing purposes only if applicable.

AFM-6.1.8 The Consortium shall be responsible for maintaining a sufficient balance in the Payment Account to satisfy payment of approved invoices.

AFM-6.2 Approved Invoices

The Consortium shall process, approve and forward approved invoices to the Clerk for payment from the Payment Account. Approved Invoices shall bear or be accompanied by a mark of approval or imprimatur of the Consortium including words to the effect of "Approved for payment by the Gulf Consortium on [date of approval]," will be summarized on the Fiscal Agent Payment Request form and signed by the Finance Manager and will include a copy of the supporting documentation sent to Council with the related contract or purchase order if one exists, and any invoices.

AFM-6.3 Approved Signatories

The Consortium may add or change authorized signatories by written notice to the Clerk signed by the Chair of the Gulf Consortium and attested to by its Secretary. The Consortium hereby designates the following individuals as approved signatories:

1. Valerie Seidel, General Manager
2. Dan Dourte, Project Manager
3. Jack Mariano, Gulf Consortium Secretary/Treasurer

~~AFM-6.4 The Consortium shall provide the Clerk with a copy of its budget for each fiscal year upon adoption, as well as contracts, grant agreements, signed quarterly and annual grant reports, and such other documents as the Clerk may reasonably request~~.

~~AFM-6.5 The Consortium shall be responsible for preparing and submitting close-out documentation for all grants managed by the Consortium.~~

AFM-6.6 The Consortium shall have and maintain sole responsibility for the following:

AFM-6.6.1 Determining whether a given activity, expenditure or cost comprises a Qualified Expenditure.

AFM-6.6.2 Making such actions as may be necessary to satisfy applicable requirements and prerequisites or obtain any approvals from state, Federal or any other authorities required in order to approve payments and expenditures from the Payment Account and/or Trust Fund proceeds.

AFM-6.6.3 Agreeing to and satisfying such conditions, including audit requirements, as may be necessary under the RESTORE Act to ensure that amounts disbursed from the Trust Fund will be used and expended in accordance with the RESTORE Act.

AFM-6.6.4 Providing such certifications as may be required by the RESTORE Act.

AFM-6.6.5 Developing and administering standard procurement rules and regulations governing projects, programs, and activities.

AFM-6.6.6 Facilitating return of used funds, if any, on deposit in the Payment Account in the manner required by the RESTORE Act

AFM-6.7 The Clerk's responsibilities in connection with its role as fiscal agent include the following:

AFM-6.7.1 Payment of Approved Invoices. The Clerk shall receive Approved Invoices from the Consortium and process same for payment from the Payment Account, either through writing checks, ACH or direct deposit.

AFM-6.7.2 Internal Financial Controls. The Clerk shall designate duly authorized officers or deputies to fulfill the various obligations contemplated hereunder.

AFM-6.7.2.1 The Clerk shall maintain a financial management system (cash receipts, disbursement tracking, detailed activity ledger, cash control register, property control register including equipment purchases) sufficient to perform its responsibilities and obligations as fiscal agent to the Consortium.

AFM-6.7.2.1 The Clerk shall maintain policies and Procedures for invoice submittal/approval, in accordance with the requirements of the Florida Local Government Prompt Payment Act, Chapter 218, Part VII, Florida Statutes.

AFM-6.7.3 Reporting.

AFM-6.7.3.1 The Clerk shall designate duly authorized officers or deputies to act and fulfill online monthly reporting

AFM-6.7.4 Recordkeeping.

AFM-6.7.4.1 The Clerk shall establish an on-site and fully accessible recordkeeping system. All records will be maintained in such a way as will permit their inspection pursuant to Chapter 119, Florida Statutes.

AFM-6.7.4.2 The Clerk shall maintain copies of recording of disbursements and cash receipts for the minimum time period prescribed by applicable State and Federal law. In the event of a conflict between the two, the longer retention period shall apply.

AFM-6.7.4.3 The Clerk shall maintain copies of recording of all grant-related records for the minimum time period prescribed by applicable State and Federal law. In the event of a conflict between the two, the longer retention period shall apply.

AFM-6.7.5 Monitoring. The Clerk will provide monitoring of financial controls in accordance with Federal grant law.

AFM-6.7.5.1 The Clerk shall promptly notify the Consortium in the event the funds on deposit in the Payment Account are insufficient to process payment or reimbursement of an Approved Invoice. In such case, unless directed in writing by an Authorized Signatory, the Clerk shall not process a partial payment of the Approved Invoice but shall wait to process payment until sufficient funds have been deposited into the Payment Account to pay the Approved Invoice in full.

AFM-6.7.5.1 The Clerk shall promptly notify the Consortium in the event one or more Approved Invoices submitted to the Clerk for payment exceed the amount budgeted by the Consortium for the underlying project, program or activity. In such case, the Clerk shall not process payment of any invoice(s) which exceed the budgeted amount until the Consortium provides the Clerk with a budget amendment.

AFM-6.8. The Consortium shall maintain proper segregation of duties for Cash Receipts, Disbursement Tracking, Job Cost Detail Ledger, and Property Control Register.

AFM-6.8.1 Cash Receipts

AFM-6.8.1.1 The Finance Manager shall maintain the official Cash Receipts Log records for The Gulf Consortium.

AFM-6.8.1.2 A designated staff member shall record all Gulf Consortium checks upon receipt in the presence of another individual; both shall sign the daily Cash Receipts Log. The Finance Manager will review the log and compare to the accounting system and sign off on the log monthly.

AFM-6.8.1.3 The designated staff member shall prepare the bank deposit documentation and maintain copies with the Cash Receipts Log.

AFM-6.8.2 Disbursement Tracking

AFM-6.8.2.1 The Finance Manager shall maintain the official Disbursements Register records.

AFM-6.8.2.2 A designated staff member shall prepare checks (for non-grant expenditures) or ~~check requests~~ACH requests (for grant-related expenditures) to make payment of approved invoices.

AFM-6.8.2.3 Copies of all disbursements and corresponding approved invoices marked "Paid" shall be attached to the Disbursements Register. If the disbursement results in property acquired by the Consortium, the Property Register shall be updated accordingly.

AFM-6.8.2.4 Monthly, the Disbursements Register shall be reconciled to the bank statement.

AFM-6.8.3 ~~Job Cost~~Project Detail Ledger

AFM-6.8.3.1 The Finance Manager shall maintain the official ~~Job Cost~~Project Detail Ledger records.

AFM-6.8.3.2 A designated staff member shall prepare transactions for entry into the official accounting system.

AFM-6.8.3.3 All entries shall be prepared with supporting documentation identifying budget category, project/grant number, and approving authority.

AFM-6.8.3.4 ~~Job Cost~~Project Detail shall be reconciled monthly.

AFM-6.8.4 Property Control Register

AFM-6.8.4.1 The Finance Manager shall maintain the official Property Control Register records.

AFM-6.8.4.2 A designated staff member shall monitor the Property Control Register monthly against the Disbursements Register.

AFM-6.8.4.3 An inventory of all physical equipment and other property shall be conducted and a report confirming that all property is accounted for shall be prepared and filed for audit purposes.

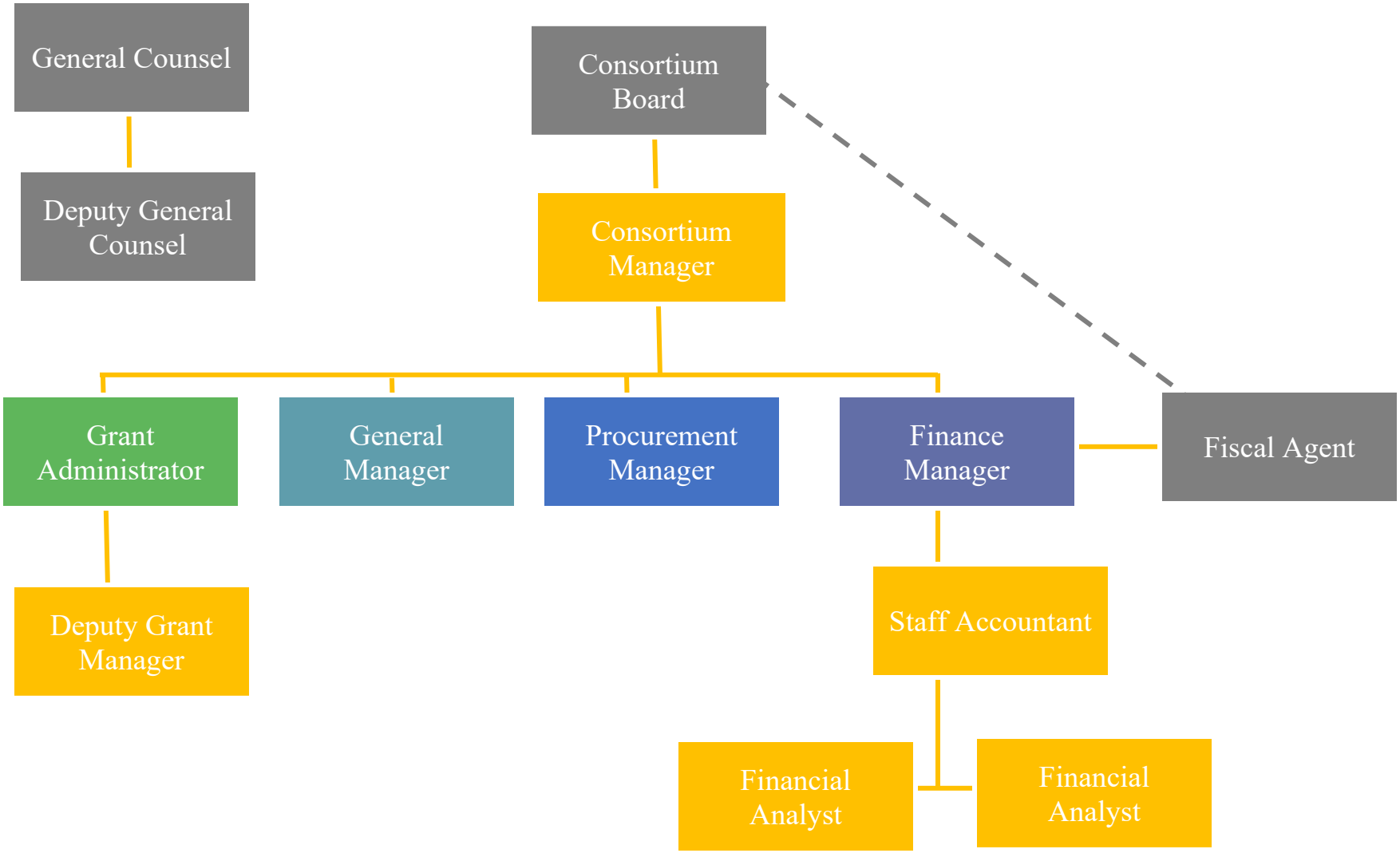
AFM-6.8.4.4 The General Manager shall review and initial the monthly reconciliation.

AFM-6.9 - The Finance Manager shall maintain timely accurate records in the federal grants management system.

AFM-6.9.1 The Finance Manager shall maintain appropriate safeguards in the RESTORE Council grants management system approval processes.

AFM-6.9.2 Authorized individuals shall certify and submit payment requests in the grants and awards management system for Consortium approval

Accounting Process Flow Organizational Chart



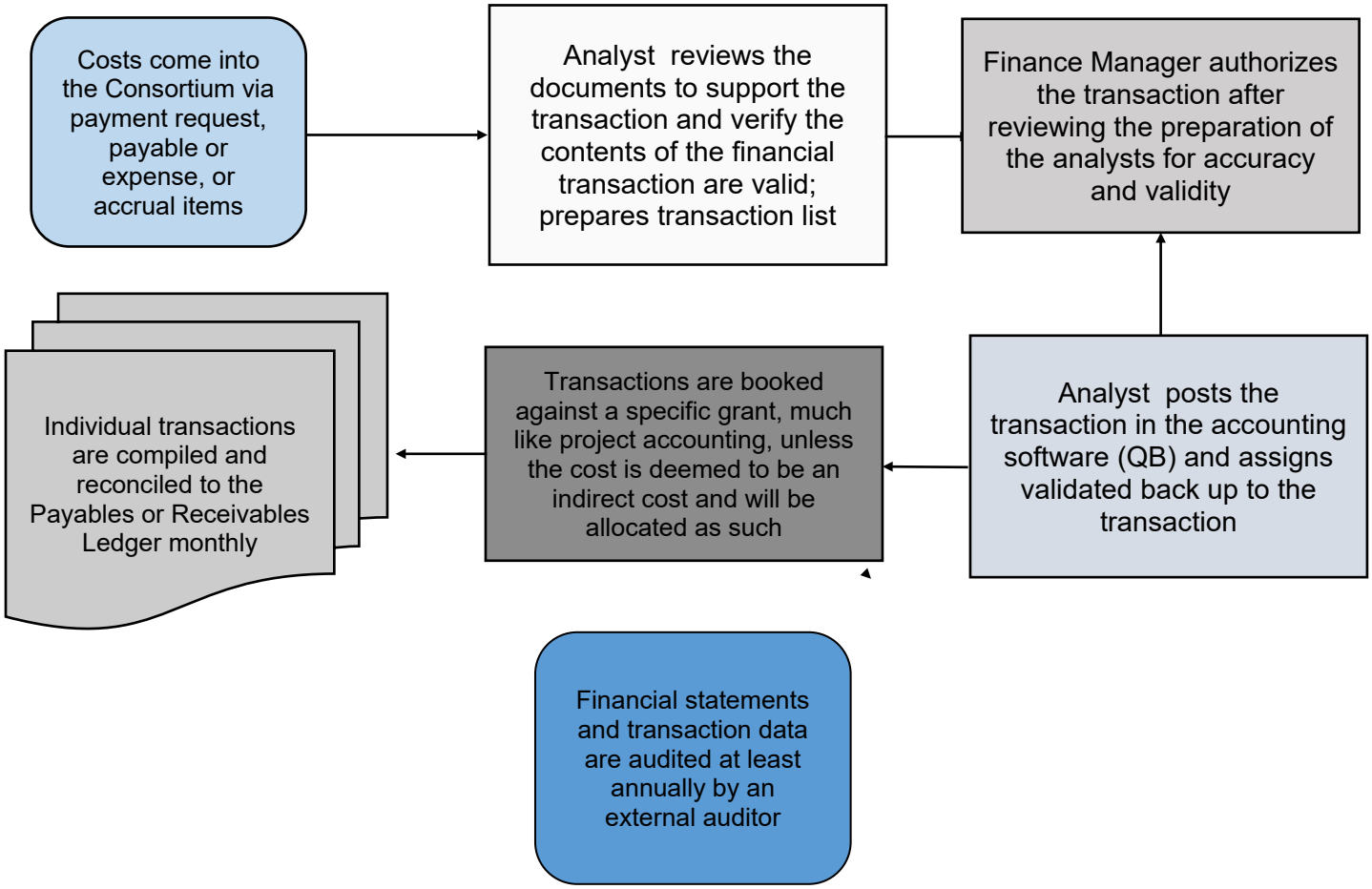
AFM-7.0 ACCOUNTING WORKFLOWS

In order to present accurate and consistent financial statements, the revenues and expenses attributable to each period will be reflected in that period to the degree possible. Generally, all entries required to accurately reflect the revenues and expenses of each period will be made in that period.

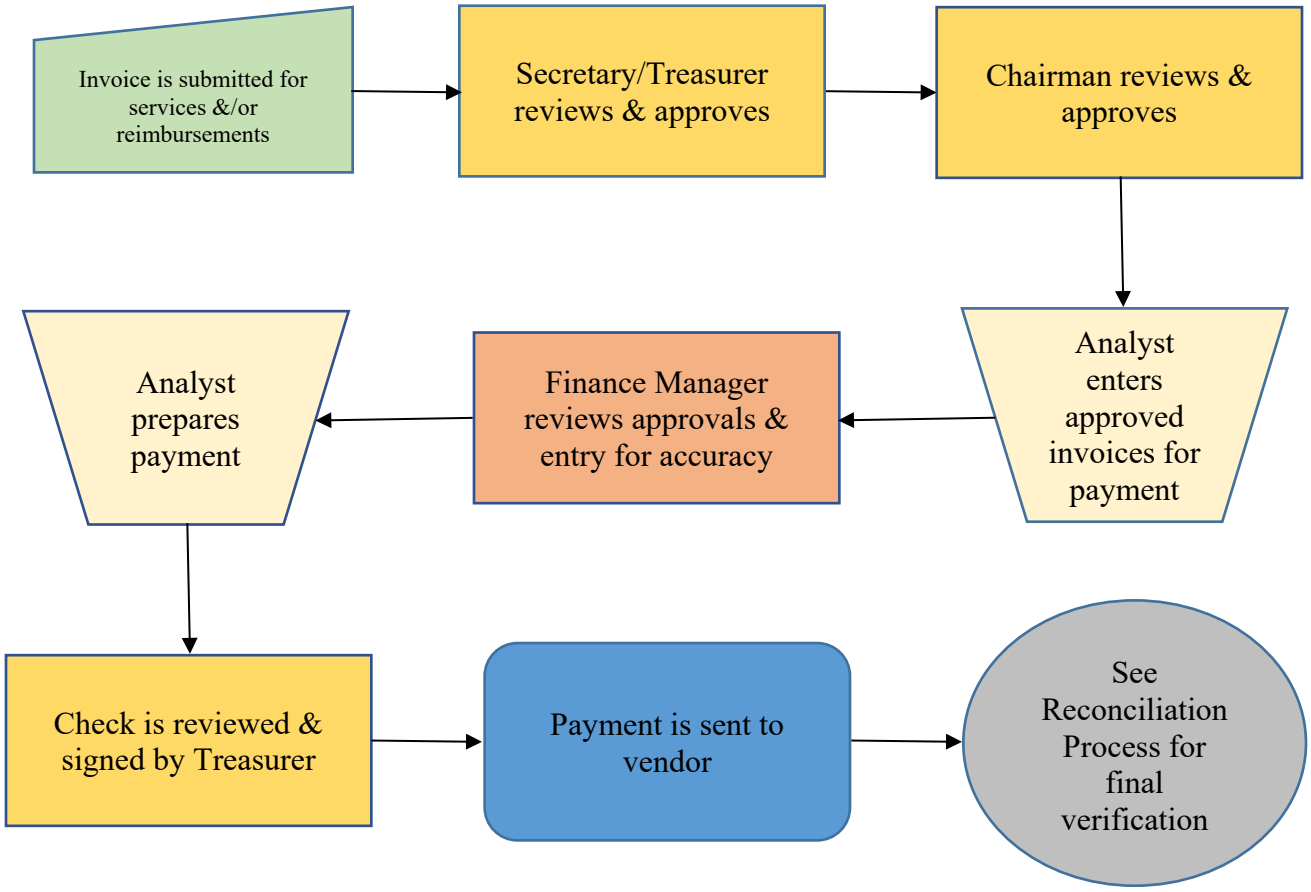
The Consortium records transactions on the accrual basis of accounting.

All accounting activities are the result of an action that was approved by the Board at some point; either specifically, or as part of an operating budget. All accounting transactions must be supported by evidence of the approval process that gave rise to the transaction.

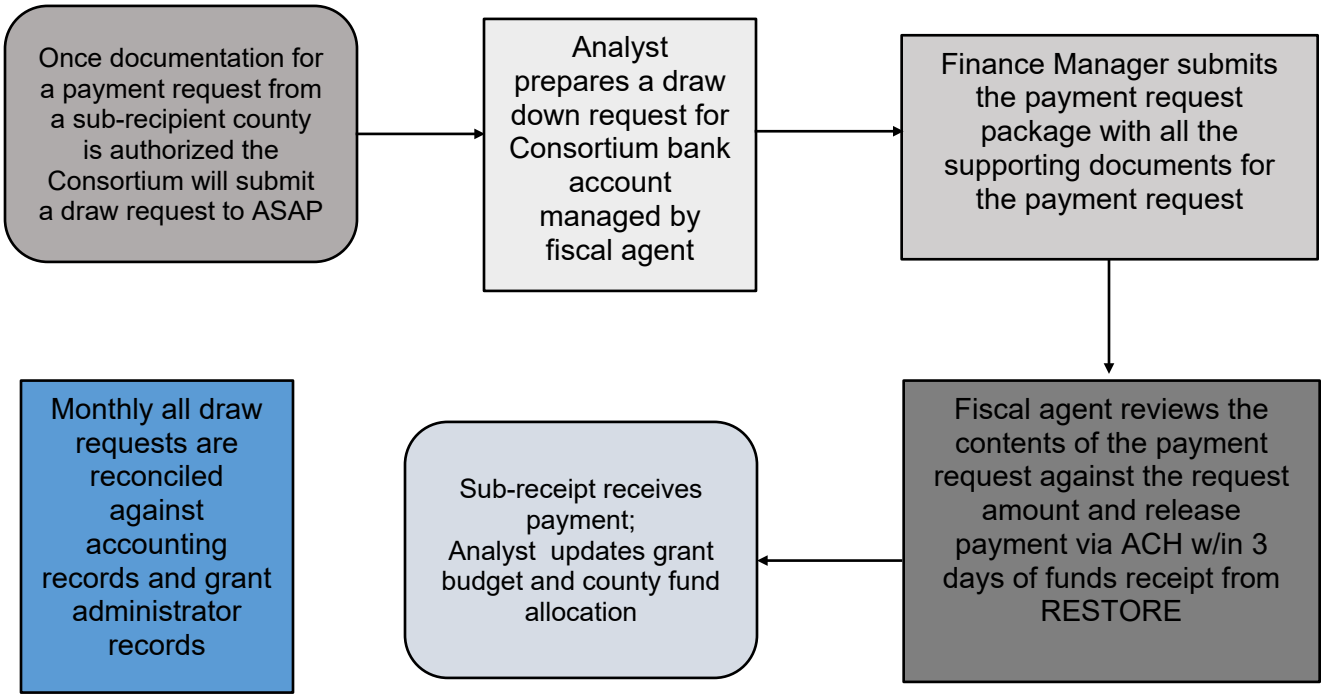
AFM-7.1a Transaction processes (AR, AP)



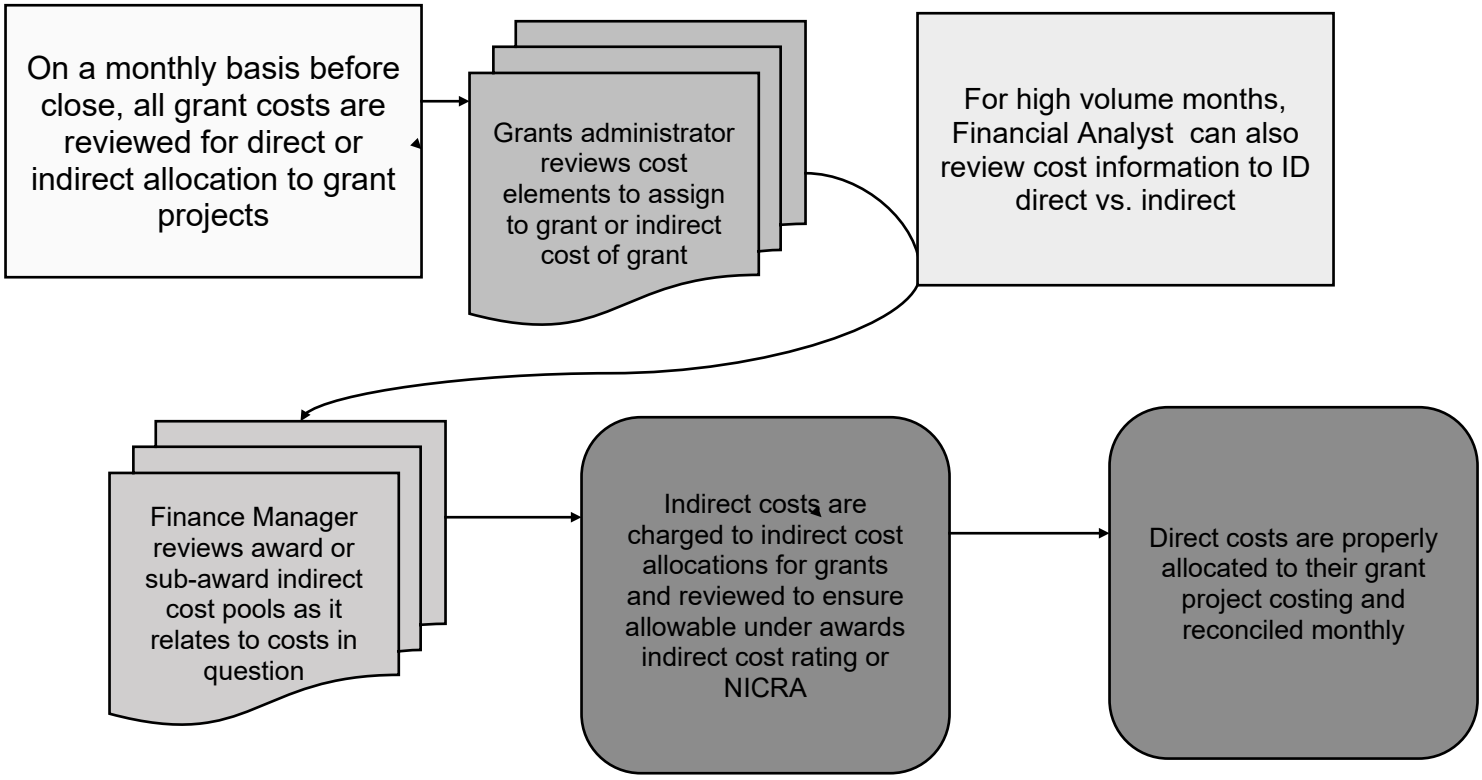
AFM-7.1b Transaction process for managing organization's invoices
In order to maintain control of invoices for the managing organization, the following process has been developed. The invoices require the signature of two Gulf Consortium board members before being submitted for payment.



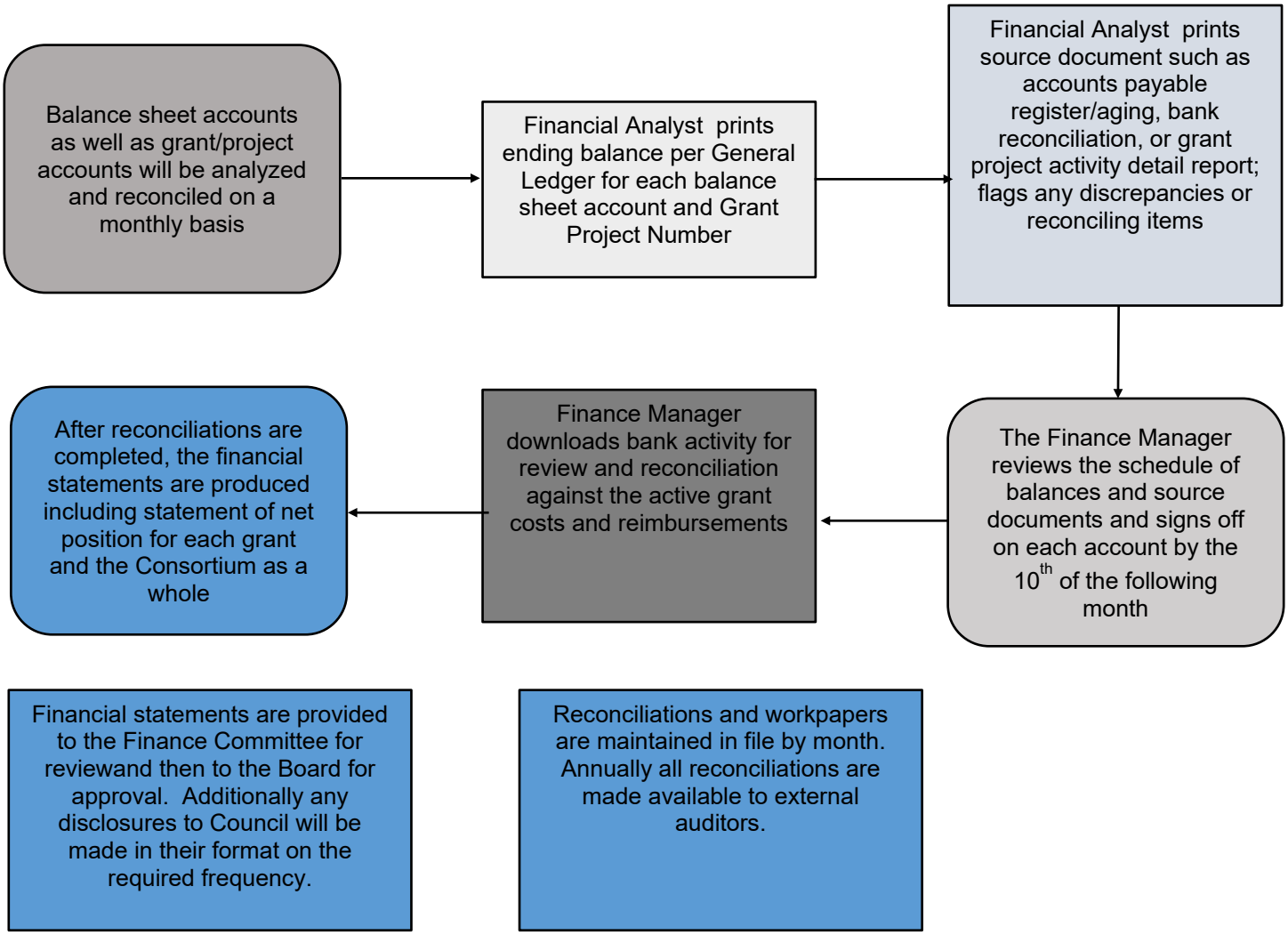
AFM-7.2 Payment Requests



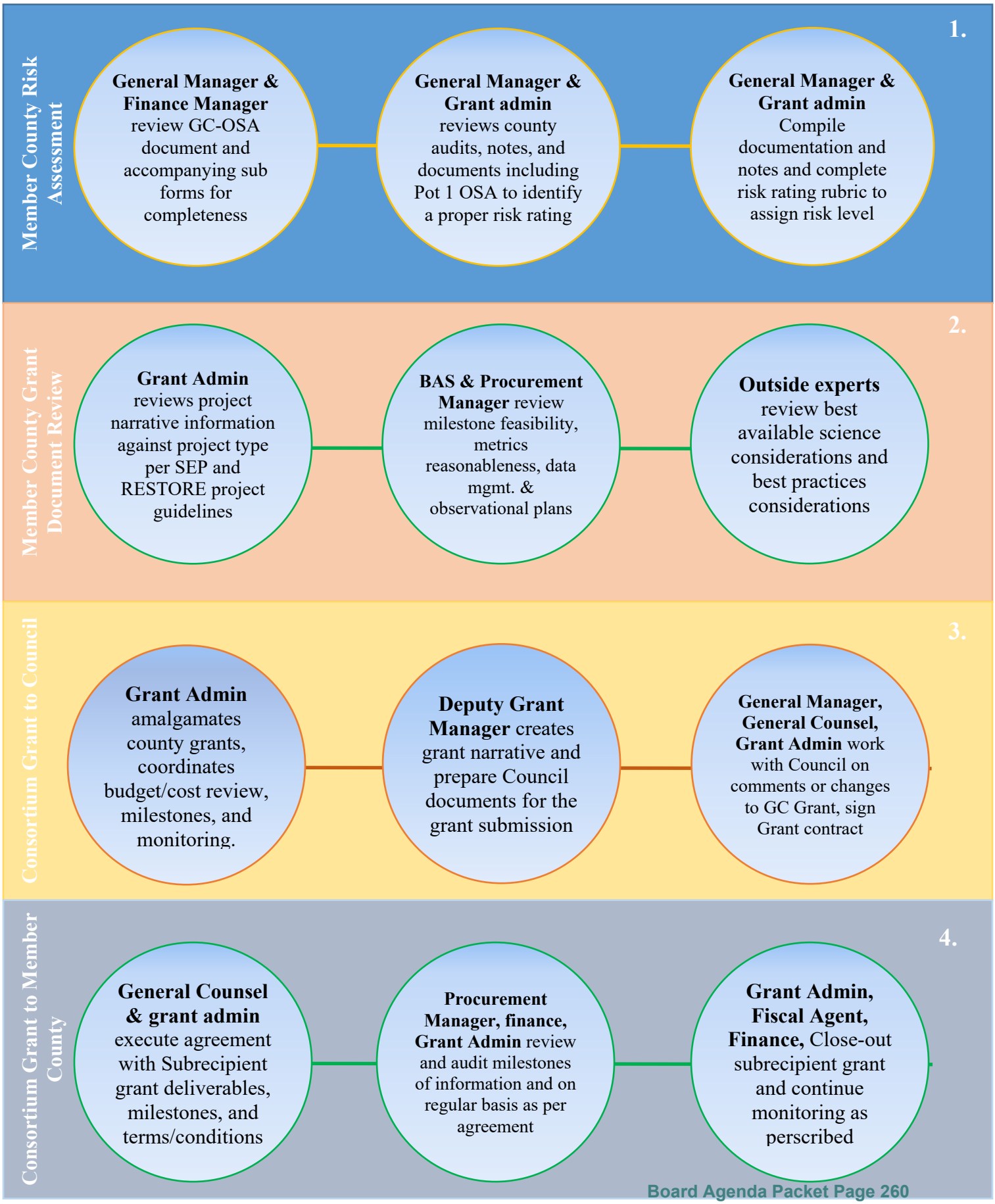
AFM-7.3 Direct vs. Indirect Costing

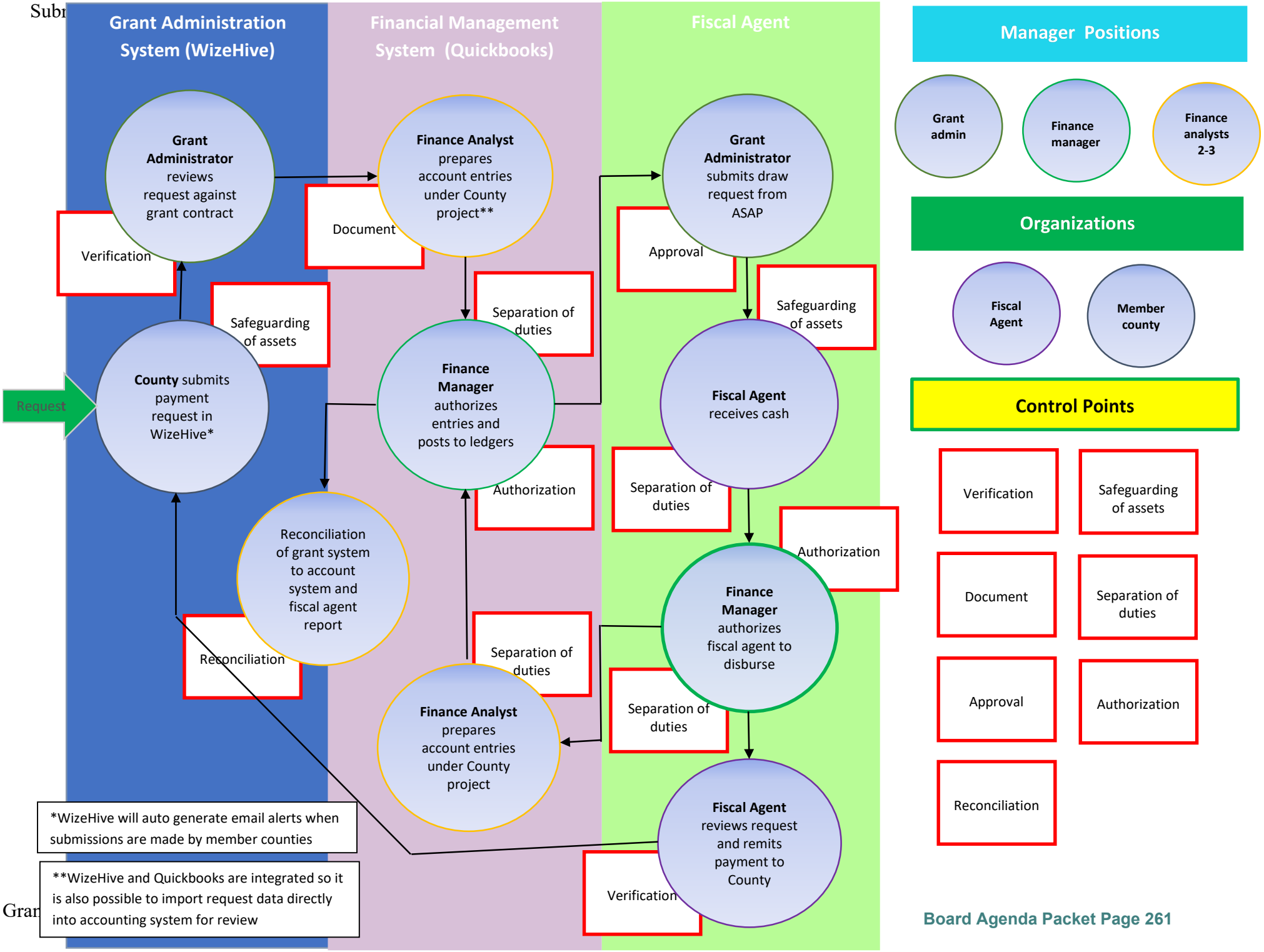


AFM-7.4 Monthly Reconciliation Process



Subgrant Request Flow

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Financial Management System (Quickbooks)
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Grant admin
Finance manager
Finance analysts 2-3
Organizations
Fiscal Agent
Member county
Control Points
Verification
Safeguarding of assets
Document
Separation of duties
Approval
Authorization
Reconciliation
Request
Grant Administrator reviews request against grant contract
County submits payment request in WizeHive*
Reconciliation of grant system to account system and fiscal agent report
Finance Analyst prepares account entries under County project**
Finance Manager authorizes entries and posts to ledgers
Finance Analyst prepares account entries under County project
Grant Administrator submits draw request from ASAP
Fiscal Agent receives cash
Finance Manager authorizes fiscal agent to disburse
Fiscal Agent reviews request and remits payment to County
*WizeHive will auto generate email alerts when submissions are made by member counties
**WizeHive and Quickbooks are integrated so it is also possible to import request data directly into accounting system for review

GRANT ACCOUNTING ENTRIES

1. *Grant Awarded (considered awarded and accepted when award signed by the Chairman of the Board)*

1117 FSEP Receivable $xxx,xxx.xx (a)
2120 Accrued Liability Grants $xxx,xxx.xx (b)

2. *Invoices Received for Grant Eligible Expenses*

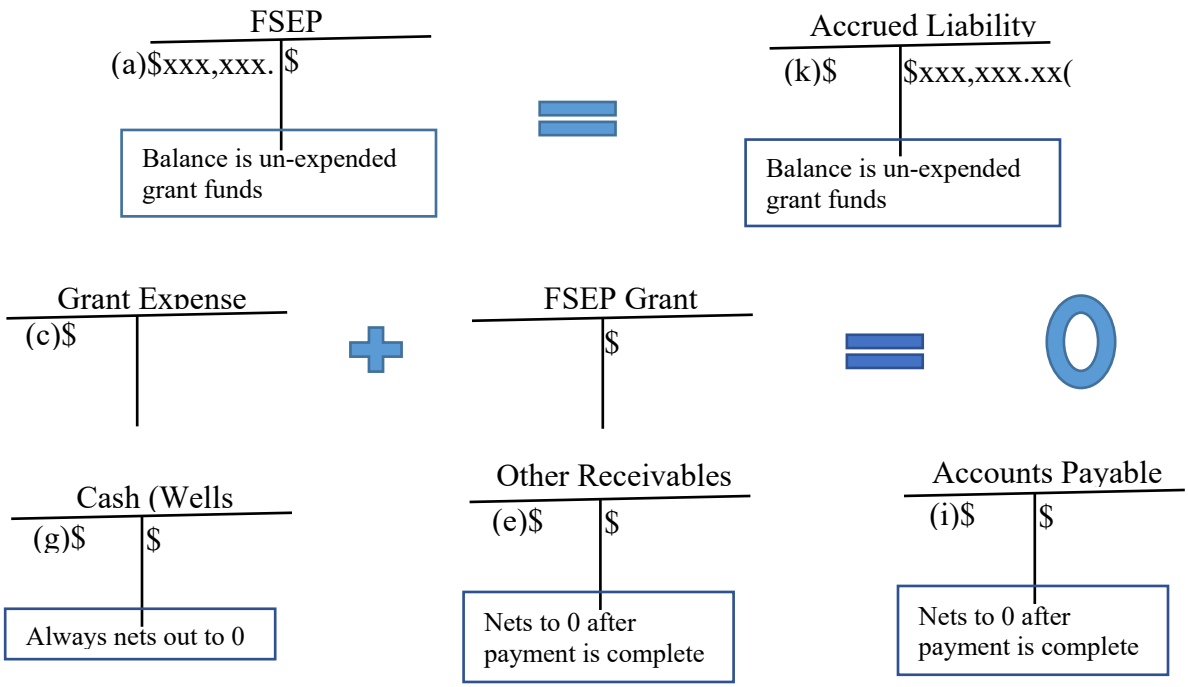
8### Grant Expense $ xx,xxx.xx (c)
2020 Accounts Payable Grant $xx,xxx.xx (d)
1220 Other Receivables $ xx,xxx.xx (e)
43XXX Grant Revenue $xx,xxx.xx (f)

3. *Draw Down Received (Wells Fargo Bank)*

1030 Cash (Wells Fargo) $ xx,xxx.xx (g)
1117 FSEP Receivable $ xx,xxx.xx (h)

4. *Funds Transferred to Subrecepient (through Leon County vis ACH)*

2020 Accounts Payable Grant$ xx,xxx.xx (i)
1030 Cash (Wells Fargo) $ xx,xxx.xx (j)
2120 Accrued Liability Grants $ xx,xxx.xx (k)
1220 Other Receivables $xx,xxx.xx (l)



Required Back-up for Each Transaction

1. Grant Awarded
    a. Financial Assistance Award page (Form GCC-7700) with award number and amount.
    b. Signature page of Form GCC-7700.

2. Invoices Received
    a. Invoice from vendor with proper detail outlining goods or services provided.
    b. Signature of authorized personnel verifying receipt of goods and services.

3. Draw Down Request
    a. Copy of invoice being paid with draw down.
    b. Confirmation of draw down from ASAP.

4. Draw Down Receipt
    a. Proof of receipt in bank account.

5. Payment to Subrecipient or Vendor
    a. Copy of receipts being paid.
    b. Signature of Finance Director verifying payment.

QuickBooks Procedures

1. Grant Awarded

    Create Invoice
    - Customer = ASAP
    - Class = SEP Grants
    - Account = 1117 – Grants Receivable (SEP)
    - Invoice # = YYFL#### (#### is EGID last 4 digits)
    - Item = FSEP Awarded
    - Description = County #-# (#-# is project number)
    - SEP Grants

2. Grant Eligible Vendor Invoices

    Enter Bills
    - A/P Account = 2020 Grants or 2010 General
    - Vendor
    - Date = invoice date
    - Ref. No. = invoice number
    - Amount Due = invoice amount due
    - Account = expense account
    - Amount = expense account amount
    - Memo
    - Class = Gen Fund (General Funds); Adaptive Planning; SEP Grants
    - Save & Close when complete or Save & New to enter another invoice

G/L Entry
DR 1220 Other Receivables
CR 43### Grant Revenue (### is grant revenue account)

3. Draw Received

Receive Payments
Received From = ASAP
Date = Date received
Reference # = Draw number
A/R Account = 1117 Grants Receivable
Select EGID
Enter amount
Save
Record Deposits
Select Payments
OK
Deposit To = Wells Fargo
Date = Deposit date
Save

4. Funds Transferred to Vendors

Pay Bills
A/P Account = Grants
Select Vendor
Enter amounts
Payment Date = Date paid
Account = Wells Fargo
Pay Selected Bills
OK
Done
G/L Entry
DR 2120 Accrued Liability Grants
CR 1220 Other Receivables

GRANT MANUAL

of

The Gulf Consortium

June ~~2021~~2022

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DEFINITIONS

1. "Agreement/Contract" means all types of agreements, regardless of what they may be called, for the purchase or disposal of supplies, services, materials, equipment, or construction and which name the terms and obligations of the business transaction.

2. "Board" means the Board of Directors of the Gulf Consortium.

3. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

4. "Contractor/Consultant" means any person having a contract with the Consortium.

5. "Contractual Services" means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but are not limited to, evaluations; consultations; maintenance; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports on the findings of consultants engaged thereunder; and other professional and technical services.

6. "Contractual Services Contract" is a contract for a contractor's time and effort rather than the furnishing of specific commodities. Satisfactory completion of the service and/or a specified period of time or date completes such contract.

7. “Council” means the RESTORE Council.

8. "Data" means recorded information, regardless of form or characteristic.

9. “Designee" means a duly authorized representative of a person holding a superior position.

10. “General Manager” shall refer to the staff so designated by the entity contracted to provide General Manager services for the Consortium.

11. “Grants Administrator” shall refer to the staff so designated by the entity contracted to provide programmatic and implementation service for Consortium grants.

12. “Implementation Milestone” refers to a project activity that results in a defined portion of a project being completed.

13. "Person" means any business, individual, committee, club, other organization, or group of individuals.

14. "Professional Services" shall include, but not be limited to, those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered land surveying, as defined by the State of Florida, or those performed by any architect, professional engineer, landscape architect, or registered land surveyor in connection with his professional employment or practice.

15. "Procurement" means buying, procuring, leasing, or otherwise acquiring any materials, supplies, services, or equipment. It also includes all functions that pertain to the obtaining of any material, supplies, services, construction, and equipment, including description of specifications and requirements, selection and solicitation of resources, preparation, and award of contract.

16. "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than those which is not defined as supplies and which are merely incidental to the required performance.

GM-1. PURPOSE, SCOPE AND AUTHORITY

GM-1.1. Purpose

The purpose of this Grant Manual is to establish uniform guidelines applicable to the Gulf Consortium, member counties, and consultants in the pursuit of grant funding and the management of grant awards. The Grant Manual describes the grants administration policy and procedures of Consortium associated with:

- Grant Identification, Application, and Tracking
- Grant Award Notification, Review, and Acceptance
- Grant Oversight and Monitoring
- Grant Accounting and Reporting
- Grant Subrecipient Monitoring
- Grant Close-out

GM-1.2 Scope

These grant administration procedures apply to all grants pursued by the Consortium and subrecipient member counties awarded by the RESTORE Council, and define the roles and responsibilities of Consortium consultants pertaining to the management of external funding and compliance with prescribed grant and Consortium requirements. This document and other important grants information can be found on www.gulfconsortium.org.

This document is not a comprehensive listing of all rules, regulations, or laws relating to grants administration, but is a guide of standardized procedures to direct the Consortium in the pursuit, application, and management of grant proposals and awards. All sub-recipients are responsible for the establishment and maintenance of internal controls to be used in conjunction with established Consortium standards.

GM-1.3 Governing Federal Laws and Regulations

The following is a non-exclusive list of state and federal laws and regulations that are applicable to the administration of grants received by the Consortium.

GM-1.3.1 Federal

- Federal Grant and Cooperative Agreement Act of 1977, as incorporated in Title 31 Section 6304 of the U.S. Code.
- 2 CFR Chapter I, and Chapter II, Parts 200, 215, 220, 225, and 230 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (a.k.a. the "Omni Circular"). This is often referred to as the Super Circular. Includes former Single Audit Act of 1984 as amended in 1996.
- A-133 Audits of States, Non-Profits, and Local Organizations and Circular A-133, 2015 Compliance Supplement.
- 2 CFR Part 200, Appendix XI, Compliance Supplement.

GM-1.3.2 State

- Chapter 218, Florida Statutes.
- Florida Administrative Code & Florida Administrative Register
- Rules of the Auditor General, Chapter 10.550, Local Governmental Entity Audits
- Florida Single Audit Act, Section 215.97, Florida Statutes.

GM-2 ROLES AND RESPONSIBILITIES

All parties engaged in preparing grant proposals and administering grant awards or responsible for grant funded assets serve an important role in the success of project outcomes and objectives and ensuring that all grant terms and conditions and budgetary and regulatory requirements are met.

Below are the larger roles in the management and administration of grant funded projects received by the Consortium and a representational list of the responsibilities. See Grants Process Flow Chart in **Appendix 1** for visual representation.

GM-2.1 The Consortium Board of Directors

All grant applications to the RESTORE Council will require approval by the Consortium Board of Directors before submittal. As further described in GM-4.3, upon receipt of a grant award from the RESTORE Council, the Board of Directors shall approve any grant award that substantially departs from the RESTORE Council's standard terms and conditions and/or contains special conditions or requirements that were otherwise not contemplated at the time the application was submitted. The Board of Directors shall further approve all subrecipient agreements between the Consortium and the member counties where required pursuant to GM-4.3.

GM-2.2 General Manager

The General Manager is responsible for performing and coordinating the ongoing administration, compilation, submission and oversight of Consortium grants. The General Manager is required to have staff capable of performing these duties while maintaining sufficient internal controls. The General Manager will direct the flow of subrecipient grant applications through Consortium processing to the RESTORE Council.

The General Manager must provide adequate resources and staff for the appropriate project management duties and grant award management, and assist sub-recipient staff members and coordinators of the member counties who may serve as project/program managers, award managers, and support staff for grant awards. The General Manager is responsible for maintaining adequate financial records to ensure compliance with federal and state accounting and financial reporting requirement for all grants administered by them. Generally Accepted Accounting Principles (GAAP) shall be used. The General Manager will prepare the SEFA (Schedule of Expenditures of Federal Awards). Additionally, the General

Manager validates that expenditures being sought for reimbursement are properly charged in Project Accounting and General Ledger systems, and reviews documentation attached in Project Accounting to ensure completeness and currency of support for audit trail purposes.

GM-2.3 Fiscal Agent

The fiscal agent for the Consortium is involved with grants from the financial perspective. The fiscal agent will be responsible for disbursing funds for Accounts Payable and receiving funds for Accounts Receivable. The fiscal agent will bolster the Consortium's internal controls and separation of duties by having an independent third party manage the flow of cash in conjunction with the Manager's administration.

GM-2.4 Other Consultants

The Consortium may from time to time contract with other professional services companies to provide the Consortium with services like audit support, Best Available Science support or architectural and engineering services to support and oversee the sub-recipient grants. These consultants will work with the Manager and the Board, as circumstances dictate.

GM-2.5 Subrecipient Member Counties

As the body submitting grant applications to the Consortium, the Subrecipient member counties shall designate an official point of contact ("POC") for all grant application correspondence. The POC shall be the primary source for any clarifying information needed to complete the Consortium's grant application to Council, notice of award or requests for additional information, and other administrative and technical questions.

GM-2.6 Grants Administration

The Grants Administrator is the primary individual responsible for programmatic and implementation activities of Consortium grants. Although some tasks may be delegated to the Grants Specialist, the Grants Administrator is the chief accountable person for the overall implementation of the grant award and meeting the terms and conditions of the award, and for representing the project to the grantor.

The Grants Administrator shall:

1. Tracks grant awards and consults with subrecipient member counties on all grant related events (i.e. notices received from granting agencies, extensions, amendments, budget revisions, etc.).
2. Ensure that awarded grant projects are implemented according to the terms and conditions of the award contract/agreement.
3. Ensure that subrecipients are aware of responsibilities for monitoring funding from other sources and reporting timely and accurately.
4. Ensure that subrecipients are aware of responsibilities for grant reporting requirements, reimbursement review process and submittal timelines (see Grant Submission Checklist – **Appendix 2**).

GM-2.7 General Counsel

The general counsel provides legal advice, counsel, and legal representation to the Consortium. The general counsel prepares and negotiates contracts, settlements, and other documents pertinent to grant awards.

GM-2.8 Audit Committee

The audit committee is responsible for reviewing the financial records audit of the Consortium as prepared by staff and/or the external auditor.

GM-2.9 Independent Auditor

The independent auditor examines and evaluates the internal control systems and procedures Consortium use to carry out the assigned responsibilities of the organization being audited, including the implementation requirements of a department for administering grant funds. The independent auditors review the Consortium's financial reports and verify compliance with Single Audit Act.

GM-3. PRE-AWARD PROCEDURES: GRANT APPLICATION AND TRACKING

GM-3.1 Preparing for the Application

There are certain essential elements necessary for successful submission of a grant application as described in Section 3.

GM-3.2 Understanding Grant Eligibility

GM-3.2.1 Eligibility criteria

In order to be eligible for Consortium funding, a grant application must satisfy the following criteria:

1. The proposed project was included in the approved State Expenditure Plan, or an approved amendment.
2. The proposed work achieves completion of at least one of the defined Implementation Milestones.
3. The total amount of funding from all sources that is required to achieve the Implementation Milestone is committed and confirmed available and is supported by documentation demonstrating fund availability.

Grant applications which do not meet all three of the above-listed elements are ineligible for Consortium funding. Once all three elements have been satisfied, the Grant Application process may commence.

GM-3.2.2 Risk Assessment

The Consortium is a pass-through entity responsible for procuring, overseeing, and disbursing RESTORE Council funds. RESTORE Council policy is to "make awards only to eligible recipients both in terms of organizations allowed under the RESTORE Act and organizations that possess financial and administrative capabilities to successfully implement

the project and minimize potential risks of waste, fraud, and abuse." As such, the Consortium is responsible for ensuring that sufficient risk assessment has occurred to achieve fiduciary accountability, maintain accuracy and transparency concerning grant financing, and ensure proper use of all disbursed funds.

The Consortium will conduct risk assessments of subrecipients in order to effectively implement the statutory, regulatory, administrative, and program requirements of the potential awards. The Consortium has adopted Council's risk rating methodology in substance, with modifications to suit the unique structure of the Consortium and County subrecipients. The Risk Assessment Tool will be completed in collaboration with County Finance and Grants Management staff as appropriate to assess whether conditions exist that warrant special terms and conditions in subrecipient agreements, or any special handling of grants management. The Risk Assessment Tool document is provided in Appendix 3 to this Manual.

GM-3.3 The Application Process

GM-3.3.1 Application Preparation

Preparing the application is the responsibility of the Grants Administrator and the Grants Specialist. Every project requires a complete grant application from the County, and in turn a complete grant application to Council. The Grants Administrator may combine numerous grant applications from Counties having the same Primary Council Objective or similar Implementation Milestones in order to prepare grant applications to Council for the purpose of reducing volume of grants. The Consortium will ensure adequate Best Available Science (BAS) reviews, where applicable (see **Appendix 1** Grant Process Flow Chart).

GM-3.3.2 Preparing the Proposal Document

It is the Grant Administrator's responsibility to prepare and submit the grant proposal application. To the extent that the application received from the subrecipient requires clarification, additional detail or other information, it is incumbent on the Grant Administrator to obtain the additional information quickly and thoroughly. Narrative portions of the Grant Application must be prepared concisely and comprehensively to minimize the likelihood of returns by Council requesting additional information. **As the Consortium serves as the administrator of RESTORE Funds for the Consortium Counties, it is not the intent to reinvent guidance which Council has published. It is strongly suggested to refer to Council guidance on the Grant Application process (Section III B of the Recipient Proposal and Award Guide found at https://www.restorethegulf.gov).**

See **Appendix 2** – Grant Submission Checklist for the complete list of required and conditionally required documents for grant applications.

GM-3.3.3 Implementation Milestones

To ensure compliance with RESTORE Council and Federal rules and regulations, it is important to understand the Implementation Milestones associated with each project. The Council will not release funds from the Trust Fund until 100 percent of the funding required for completion of the particular milestone has been secured, confirmed, and committed. Proposed projects must have been included in the State Expenditure Plan. If a county determines a change is needed to a project included in the SEP, an amendment to the SEP must be filed. As defined by RESTORE Council's SEP Guidelines, an SEP amendment is required for either of the following situations: "1) changes in scope (i.e., new project activity or increased size of project) and 2) revisions requiring an increase in funds for a new activity or bigger project." A difference in estimated cost does not require an SEP amendment as long as the scope of the project does not change. Amendments to the SEP require both Board and Council approval, and as such must be planned with approximately seven months' advance notice.

Implementation Milestones are defined as follows:

1. Feasibility Study and Conceptual Design – Feasibility analysis and/or Conceptual or Preliminary Design and Engineering resulting in 30% plans.
2. Final Design and Permitting – Includes final design and engineering, the preparation of construction plans appropriate for inclusion in a procurement package, and applying for and obtaining any required permits. Where preliminary design has not been completed, preliminary design can be incorporated so long as the project has not fundamentally changed in scope. Permitting is not a sufficient Implementation Milestone in and of itself to support a grant application.
3. Construction – The construction of any capital project, including procurement of construction services.
4. Construction – reef restoration – Refers to projects that do not involve construction, but rather the transportation, placement, and/or installation of materials for use associated with environmental and/or natural resource restoration, enhancement, resiliency, or similar work. Examples include, but are not limited to, reef construction or restoration or living shorelines.
5. Property Acquisition (with or without Feasibility Study) – Refers to the funding of land acquisition for permanent use related to a project. If a feasibility study is required to select the property to be acquired, the feasibility study shall be funded and the grant application subsequently amended to allow for land acquisition.
6. Education – Refers to projects and milestones involving public outreach and education related to the promotion of natural resource stewardship and the environment. Education projects and milestones must include tangible deliverables evidencing completion of stated project objectives.
7. Monitoring – The observation and monitoring of scientific data and/or metrics

after the primary project is completed in order to measure the success of the project. A monitoring plan is required describing when data will be collected, and the preparation of that plan can be included under this area of effort. Monitoring should be the only remaining Implementation Milestone once the primary project is completed.

8. Project Administration – This refers to project oversight and accountability provided by Gulf Consortium contractors or subrecipients or their contractors.

GM-3.3.4 Coordinate Budget and/or Indirect Cost Allocation with Finance Manager

If a grant application allows indirect cost, consult with RESTORE Council for determining indirect cost allocation rate for the grant budget prior to submission of the application. The Finance Manager can also assist in determining if a specific cost may be expressed as a direct cost versus part of an indirect cost allocation. The Finance Manager will review all indirect costs to ensure they can be supported with required documentation.

GM-3.3.5 Certifications

The Grants Administrator will ensure that proper signatures have been obtained for all required federal certifications. The Certification and Assurances form, and the Construction Assurances when applicable, is signed by the Gulf Consortium Chair for each funding application. The Grants Administrator will use The Certifications and Assurances Form Checklist to ensure that all required certifications are satisfied.

GM-3.3.6 Grant Application Requests for Additional Information

The Grants Administrator or Grants specialist will notify the subrecipient POC of any needs for additional information. The subrecipient POC will advise whether the additional information can be supplied with sufficient time to meet existing Consortium deadlines.

GM-3.4 Submitting the Grant Application

No grant application shall be submitted without signature approval of the General Manager and Finance Manager. The Finance Manager's electronic signature in the Consortium's official tracking log verifies successful completion of the Risk Assessment and Cost Analysis. Electronic copies of submitted applications shall be maintained permanently in the Grants Application file. The General Manager or his/her designee can legally bind the Consortium for the administration and use of the funds through delegated authority from the Board.

GM-3.4.1 Online Submission

The General Manager or a delegated authority designee will submit the grant application via the online grants portals designated by Council.

GM-3.4.2 Grant Award and Proposal Tracking

The Grants Administrator will track applications, awards and grant applications that

are returned for additional information. The subrecipient point of contact will be notified promptly of any changes in status of the grant application or request for additional information. Post-award procedures will then become active.

GM-3.4.3 Public Notice

~~On receipt of notice of award~~On acceptance of the grant award, the online Consortium project data will be updated to reflect the award.

GM-4.0. POST AWARD PROCEDURES: AWARD REVIEW, AND ACCEPTANCE PROCEDURES

GM 4.1 Award Review and Negotiation

Once the award scope and budget is agreed upon, awards will be made accessible via a system designated by Council.

All grant awards and contract/agreements require review by General Counsel. As part of this review, General Counsel shall conduct a legal review of the grant agreement to ensure the Consortium's interests are protected.

a. If the legal review identifies no issues with the terms and conditions of the agreement, the Grants Administrator and General Counsel shall prepare the subrecipient agreement to send to the subrecipient member county.
    i. The Grants Administrator is responsible for ensuring approval to accept the award is completed by the date required by Council for full execution (generally within 30 days of award notification).
b. If the legal review identifies any issues with the terms and conditions of the award, General Counsel will contact Council and seek to resolve the issue(s).
    i. If the General Counsel and Council cannot arrive at a mutually agreeable position, General Counsel shall document the situation for the Consortium's records and subsequent report to the Board.

GM-4.1.1 Meet with Grants Administrator

Once an award is received and prior to any grant implementation activities, the Grants Administrator shall schedule a meeting with the subrecipient POC and reach mutual agreement on the outline of responsibilities of each. Supporting documentation will be maintained in the Grant Correspondence Log. At this time, the project deliverables checklist will be distributed, assignments of financial and reporting responsibilities established, and subrecipient monitoring assigned. All grant-related responsibilities should be discussed and assigned.

GM-4.1.2 Indirect Costs & Direct Costs, Administrative Costs

Identifying and calculating indirect and direct costs rates shall be consistent with CFR §200.412 through §200.417. The Finance Manager is responsible for verifying that direct and indirect costs, and allowable and unallowable costs, are

properly recognized in the grant records. Refer to the Consortium's Accounting and Financial Management Policy and Subrecipient policy.

GM-4.2 Award and Project Setup in Accounting

Upon receipt of a fully executed grant agreement, the Finance Manager shall:

a. Ensure that the grant project is created in Project Accounting and a new project number assigned and disseminated.

b. The Grants Administrator shall complete the New Project Data Sheet -form.

The grant project file will have the following documents when the project number is assigned:

1. New Project Data Sheet form
2. Executed Grant Agreement/Contract or Award
3. Complete Grant Application
4. Board resolution approving Grant Application

See Accounting and Financial Management Policy for transaction specifics.

GM-4.3 Award Approval and Subrecipient Agreement Procedures

a. Approval of Grant Awards. Upon approval by the RESTORE Council, if the grant award does not contain any special award conditions that substantially depart from the RESTORE Council's standard terms and conditions and/or were otherwise not contemplated at the time the application was submitted, the Award may be approved and executed by the Chair of the Gulf Consortium Board of Directors or by the General Manager as delegated. For example, special award conditions regarding non-duplicative use of RESTORE Council funds and updates to the Observational Data Plans or Data Management Plans would not be considered to substantially depart from standard terms and conditions. Otherwise, the grant award shall require approval by the Board of Directors.

b. Approval of Subrecipient Agreements. Subrecipient Agreements between the Consortium and the member counties may be approved and executed by the Chairperson, upon recommendation by the General Manager (in consultation with the General Counsel where requested), where such agreement is substantially in the form developed by the Gulf Consortium General Counsel and approved by the Board of Directors and where the grant award does not contain any special award conditions that substantially depart from the RESTORE Council's standard terms and conditions and/or were otherwise not contemplated at the time the application was submitted. Additionally, if the subrecipient agreement contains special terms or conditions imposed by the Consortium on the subrecipient that are not contemplated in the award (such as related to additional oversight, monitoring, or reporting requirements imposed on the subrecipient) or otherwise substantially departs from

the form agreement prepared by Gulf Consortium General Counsel and approved for use by the Consortium, approval of the subrecipient agreement by the Board of Directors shall be required. A substantial departure exists where a change to the subrecipient agreement materially affects the substantive rights or remedies of the Consortium under the agreement.

GM-5.0. GRANT MONITORING AND OVERSIGHT

GM-5.1 Compliance Monitoring

The Grants Administrator is responsible for oversight of the implementation of the award supported activities. The Grants Administrator must ensure that activities under the grant scope of work are monitored to assure compliance with applicable requirements and to ensure that performance expectations are being achieved. The Grants Administrator is further responsible for ensuring that activities comply with the Terms and Conditions of the grant agreement/contract and ensuring that required reports are submitted by or before the specified deadlines in the award agreement. Compliance monitoring includes but is not limited to mid-year check-ins, performance reporting, and financial reporting. Additional detail on subrecipient compliance requirements can be found in the Subrecipient Policy: S. 10.3.

GM-5.2 Site Visits

The Grants Administrator may perform site visits to coordinate with the subrecipient member county regarding the requirements of the grant award.

GM-5.3 Fiscal Accountability

The Finance Manager shall provide the Grants Administrator with support for grant projects using a single, accurate view of all project related costs and financial transactions of a project. Projects exist for a finite period of time, with a start date and an end date.

The basic unit in project accounting is the project number, which will be alphanumeric. Each project is unique by number and by name. The Project number at the grant level will be based on the FAIN number. The subrecipient project number will be based on the FAIN number and the SEP project number. Individual subtasks will be assigned as needed to distinguish work effort.

GM-5.4 Receipt and Use of Grant Funds

Grant funds are restricted in their use and disbursement by a number of rules, largely dictated by 2 CFR part 200. In addition, the Consortium specifies the following conditions for grant-funded activities:

1. No grant funds shall be disbursed until the Board approval agenda item for the grant application is in file, the project number has been assigned, and required documentation is complete.
2. Grant funds may only be used for grant related expenses and expended within the period of performance identified in the grant agreement.

3. Modifications or reallocations to the awarded budget that alters the grant amount or moves funds from one budget line item to another may not occur without prior written approval from the Consortium, which in turn requires written approval from Council.
4. Grant funds shall not be used to supplant an existing expense.
5. All income resulting from a grant funded project or program shall adhere to Consortium policy requirements and be managed and maintained as specified in the grant agreement.
6. All procurement activity associated with grant funded projects or programs shall follow the federal rules for procurement of federally funded goods and/or services.
7. All property acquired through grant funds shall follow the Consortium policy and procedures for property or inventory control.
8. All grant and related matching revenues and expenditures shall be monitored by the Consortium.
9. Segregation of duties: Management shall divide or segregate key duties and responsibilities among different people to reduce the risk of error, misuse, or fraud. This includes separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets so that no one individual controls all key aspects of a transaction or event.
10. Appropriate documentation of transactions and internal control: Management shall clearly document internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination. Documentation and records shall be properly managed and maintained.

GM-5.4.1 Grant Invoicing to RESTORE Council

Grant invoicing to the Council shall be performed according to the grant agreement/contract. All invoices will be supported with appropriate documentation that may include a copy of contracts, draw requests, vendor invoices, receipts, labor reports or timesheets, proof of payment to the vendor and any other information requested by Council. Proof of payment of expenditures may include a copy of a credit card receipt, receipt showing cash payment, cancelled checks, bank statements, or other proof that complies with federal and state audit standards. This documentation shall be kept organized as an invoice packet and kept according to required timelines and for audit purposes.

NOTE: Invoices for reimbursement are expected to be submitted no more than monthly and no less than semi-annually unless otherwise noted by Council.

See Accounting and Financial Management Policy for transaction process flow chart.

GM-5.4.2 Grant Revenue Reconciliation

Confirmation of funds availability in the ASAP system must occur prior to submittal of invoicing to Council. A hard copy screen shot documenting confirmation shall be maintained in file with the drawdown request.

GM-5.4.3 Expenditure Monitoring/Award Reconciliation

It is critical to the overall success of a grant project that grant funds are expended accurately. After initial setup, grant awards shall be reconciled at minimum a quarterly basis to ensure:

- Expenditures are allowable, allocable, necessary, and reasonable based on terms and conditions of the grant award.
- Expenditures are adequately supported by documentation.
- Expenditures are charged to the correct project.
- Award spending is commensurate with the project timeframe.

Reconciliation involves checking expenditures/revenues recorded in project accounting to those recorded in General Ledger and also checking revenues billed during a reporting/billing period against expenditures charged to the project during the same period.

Incorrectly posted charges to grant funded projects must be fixed within regulated time-constraints, which is why routine account reconciliation is critical. Failure to transfer incorrectly posted charges in a timely manner may result in the expense being disallowed for grant reimbursement.

GM-5.4.4 Protecting Personally Identifiable Information

In accordance with 2 CFR §200.303, the non-Federal entity must take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with other applicable Federal, state, and local laws regarding privacy and obligations of confidentiality. The Consortium is committed to maintaining the confidentiality of Personally Identifiable Information ("PII"), except as may be otherwise required pursuant to Florida law. This policy applies to Consortium staff, contractors and service providers staff, sub-grantees, and any other person or entity doing business with Consortium. Contractors, service providers, sub-grantees, and others must have established policies and procedures under which their employees and other personnel are aware and acknowledge the sensitive and confidential nature of PII and the safeguards with which they must comply. Failure on the part of Consortium Directors, contractors, service providers, sub-grantees, and other persons handling PII in association with Consortium business may result in appropriate remedial action including but not limited to contractual termination. See **Appendix 5** for additional procedures related to PII protection.

GM-5.4.5 Program Generated Income

Program generated income is defined in general terms as gross income received that is directly generated by the grant funded project/program during the grant period. Examples of program generated include income from fees for services performed, income from use of real or property acquired with grant funds, the sale of products or items developed under a grant agreement, and principal and interest received on loans made with grant funds.

Use of program generated income resulting from a federal grant funded project/program shall comply with 2 CFR §200.307.

GM-5.4.6 Support of Salaries and Wages

Compensation for personnel services on grants must be based on payrolls documented through standard subrecipient county policy and procedures. The consequences of noncompliance with employee time and effort certification may be the disallowance of such charges to the grant. Federal grants require accounting for 100% of one's time even if all of one's time is not allocated to the grant project (2 CFR §200.430).

Salaries and wages of employees used in meeting cost sharing or matching requirements of federal awards must be supported in the same manner as those claimed as allowable costs under federal awards. The consequences of noncompliance with employee time and effort certification may be the disallowance of such charges to the grant.

Where an employee works on single or multiple awards (including federal and non-federal), a distribution of their salaries/wages and fringe benefits must be supported by a detailed job cost timesheet showing hourly work effort for all time in a pay period. All work effort must be clearly linked to each project and/or task in the pay period. Pay stubs reflecting total hours must match timesheets and be included in the documentation.
The Consortium has provided an example form at https://www.gulfconsortium.org/grant-resources.

Whenever possible, staff time should be funded by County funds or another source, rather than from direct costs due to the administrative burden.

GM-5.4.7 Equipment and Real Property Management

GM-5.4.7.1 The acquisition and use of equipment and real property acquired with federal funds shall in all respects comply with 2 CFR §§ 200.311, 200.313, 200.314 and 200.330. Equipment purchased with grant funds shall be used exclusively for the purpose of the project during the life of the grant for the project or program for which it was acquired.

GM-5.4.7.2 Grant purchased equipment must be properly maintained and safeguarded, and equipment records must be maintained per Consortium Finance and Accounting Management Section 3.C inventory policy and procedures. This includes identifying grant funded acquisitions on fixed asset inventory under the column marked "restricted/grant funded."

GM-5.4.7.3 Subrecipients must comply with federal requirements to report annually, or in accordance with the otherwise applicable time period as provided in the award, on the status of real property acquired with federal grant funds. The Real Property Status Report SF-429 A (*Attachment A, General Reporting*)

shall be completed and submitted annually (or as otherwise required per the terms of the award) not later than 30 days after the month end following anniversary date of grant approval. This report can be downloaded by visiting:

https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html

Instructions are provided along with the form. Please notify the Grants Administrator for assistance if needed.

GM-5.4.7.4 After the grant award is closed and equipment is no longer needed for its originally authorized purpose, the subrecipient shall comply with federal rules regarding disposition of assets. The subrecipient shall request disposition instructions if required by the terms and conditions of the award. Disposition of the equipment shall be in accordance with the instructions received from the Council, 2 CFR §200.313(3), and other applicable laws and regulations.

GM-5.5 Grant Reporting

The purpose of grant reporting is to appraise the grantor of the progress made towards fulfilling grant deliverables. Every award has reporting requirements specified in the grant agreement. It is critical that all reports are complete, accurate, and submitted per the specified dates outlined in the agreement. Accurate and timely reporting is critical to maintaining a good relationship with the grantor. Requirements and procedures are established to ensure that grant funds are expended and accounted for in a method that provides accuracy, uniformity, and consistency. Late or inaccurate reports may negatively impact current or future funding and result in Single Audit findings.

GM-5.5.1 Types of Grant Reports

GM-5.5.1.1 Performance Reports: The Consortium is required to regularly submit to Council and retain performance reports that reflect grant funded operational progress as required by the grant agreement. The Gulf Consortium Grants Administrator will request performance reporting information from subrecipients approximately 20 days before reports are due to RESTORE Council.

GM-5.5.1.2 Financial and Milestone Reports: The Consortium, in collaboration with the subrecipient member counties, shall prepare and retain financial reports that reflect a grants fiscal health as required by the grant agreement and support documents. The Gulf Consortium Finance Manager will request financial reporting narrative information from subrecipients approximately 20 days before reports are due to RESTORE Council.

GM-5.5.1.3 Close-Out: No later than 90 days, dependent upon conditions of grant contract, after the expiration or termination of the grant, the Consortium in collaboration with the subrecipient is required to submit all financial, performance, and other reports required in the grant conditions. Grant close-out reports shall be maintained in the permanent file.

GM-5.5.2 Frequency of Reports

The frequency of the reports is specified in the grant agreement. Occasionally Council may request an interim report. For federal grants, 2 CFR §200.328 requires submission of an interim report when significant developments have occurred. This is defined as problems, adverse conditions or changes in timelines (either favorable or unfavorable).

The Grants Administrator is responsible for completing reports in a timely manner and for the report submission to Council in order to meet submission deadlines.

CAFR: Comprehensive Annual Financial Report
The Comprehensive Annual Financial Report (CAFR) is prepared annually by the Finance Manager includes financial data through the end of the fiscal year. This report is required by Florida Statute.

SEFA: Schedule of Expenditures of Federal Awards
The SEFA is also prepared by the Finance Manager and is included within the CAFR document annually, in accordance with the U. S. Office of Management and Budget. The SEFA is a key element of the Single Audit report; an annual requirement for any entity receiving federal grant funds in excess of $750,000. The State requires a similar report in accordance with the Florida Single Audit Act, for state expenditures exceeding $750,000.

GM- 5.6 File Management, Access and Retention

The RESTORE Council may review the files, activities, equipment, and facilities, and interview relevant personnel and contracted entities of any Consortium project or program that is funded with grants awarded to the Consortium.

GM-5.6.1 Grant File Structure

All subrecipient member county and master files associated with a grant award must maintain a file structure that includes the following sections, with clear separations between different fiscal years, unless otherwise directed by the grantor.

a. Grant Application Submission includes:
    i. Meeting minutes documenting Board approval of the agenda item for grant application.
    ii. Copy of the original submitted grant application (Uploaded to Project

Accounting).

iii. Subrecipient Grant Application.

iv. Information and data used in preparation of and support of the grant proposal, etc.

i. Any correspondence related to the application that involved substantive application changes.

b. Award includes:

i. Grant award letter with budget and special conditions.

ii. BOARD agenda item or delegated authority.

iii. Executed grant agreement.

iv. Grant amendments, modifications, extensions, cancellations and terminations related to the award Correspondence.

v. Subrecipient agreement.

c. Financial includes:

i. New Project Data sheet set up documents.

ii. Invoices/Draw requests from subrecipient and supporting documentation.

iii. Council approvals for items such as budget reallocation, changes to scope, procurement and vendor selection.

ix. Invoice packets including all supporting documentation.

x. Reconciliation of subrecipient grant account to grant project accounts ledger.

xi. Subrecipient OSA forms and associated risk assessment.

d. Reports includes:

xii. All reports to Council

xiii. Evaluation forms and data.

xiv. Project Close-out documents.

GM-5.7 Grant Close-Out

The grant close-out is a critical piece in the life cycle of a grant, and is the process by which the Consortium performs all necessary administrative and financial actions to satisfactory complete all requirements set forth in the grant agreement. Preparation for close-out usually begins 60 to 90 days prior to the end date of the grant to accurately forecast expenses and make any adjustments to accounting entries. See **Appendix 4** for the Grant Closeout Checklist.

Generally, the close-out process addresses three areas:

1. Physical completion of work
2. Administrative requirements for close-out
3. Financial requirements for close-out

GM-5.7.1 Grant Funding Advances

Grants are processed as reimbursement by the Consortium unless Council requires funds be advanced.

The obligation of the Consortium or subrecipient to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments is not affected with the close-out of the grant.

GM-5.7.2 File Retention & File Maintenance

The Consortium is obligated to protect records (both hard copy and electronic) adequately against loss, theft, fire or other damage in accordance with statutory provisions. Files for federal grants must be retained for a minimum of three years per 2 CFR Part 200. ~~Files for state grants must be retained for a minimum of five years.~~

Requirements for other grants vary by granting entity. Once the mandatory retention period has lapsed, the Grants Administrator shall request that the grant record(s) be properly destroyed.

Federally funded grant records must also comply with 2 CFR § 220.82 which requires safeguarding data records against unauthorized alterations including Personally Identifiable Information (PII). PII is defined to include a person's name in combination with information such as a social security number, passport number, credit card number, bank number, health records, and similar information. PII required to be disclosed by law is excluded. Additionally, any information a funding entity designates as sensitive must also be safeguarded.

GM-5.8 Grant Modification, Extensions, or Cancellations

During the course of a grant's life, there are times when changes are necessary to either the budget or the project scope-of-work. Most of these changes, typically called grant amendments, are allowable, but it is important to follow the procedures written in the grant agreement or in the guide(s) provided by the Council and the Consortium. These changes must be pre-approved before they are considered eligible. All modifications, amendments, or changes to grant agreements/contracts shall be documented for permanent record in the grant file.

GM-5.9 Approval Procedures

GM-5.9.1 Time Extensions

1. Grants may allow for one (1) no-cost time extension to complete a project, if necessary. These requests must be documented and written approval must be received from Council at its sole discretion.
2. Subrecipient agreement extensions may be granted for one (1) no-cost time extension to complete a project, if necessary. These requests must be documented and written approval must be received from The Consortium. Requests must be received by the

Consortium at least 90 days in advance of the applicable deadline or termination date to allow for processing.

3. Additional no-cost time extensions will require Board approval.

GM-5.9.2 Cancellations

In the event that a grant must be terminated before the original completion date or returned to the Consortium prior to project initiation, the Grants Administrator must be notified formally in writing by the Subrecipient County so that the grant is appropriately terminated.

GM-5.10 Grant Subcontracting and Subrecipient Monitoring

The Consortium maintains a separate Subrecipient Policy which provides guidance for grant subcontracting and subrecipient monitoring.

GM-6.0. OTHER IMPORTANT FEDERAL GUIDELINES AND NATIONAL POLICY

GM- 6.1 Federal Funding Accountability and Transparency Act (FFATA)

As of October 1, 2010, all Federal grants of $25,000 and over are subject to the FFATA subaward reporting requirements. Prime awardee (the Consortium) is required to upload the subrecipient information in the FFATA Subaward Reporting System (FSRS at https://www.fsrs.gov/index?&). Subrecipients must maintain an active registration in the System for Award Management (S.A.M.) in order to receive federal funding. The Consortium is responsible for verifying that subrecipients have and maintain an active registration in the System for Award Management (SAM) in order to receive Federal funding.

The Consortium has internal controls in place to identify potential FFATA subaward obligations, and if so shall complete a FFATA Subaward Reporting Form for all applicable subaward obligations in the amount of $25,000.00 or more no later than the 20th of each month following the month that the subaward was executed.

Per the Act, when the subaward amount is $25,000 or larger a prime awardee must obtain from the subrecipient and report the following information and report:

1. Federal Award Identification Number (FAIN)
2. Federal Agency Name
3. Project Description
4. Total Federal Amount
5. Obligation/Action Date of Prime award
6. Prime recipient DUNS
7. Subrecipient Name
8. Subrecipient Doing Business as Name
9. Subrecipient Address (including Congressional District)

10. Subrecipient's Parent DUNS
11. Subrecipient DUNS
12. Amount of the subaward
13. Sub-award Obligation/Action Date (Agreement Date)
14. CFDA Program Number
15. Federal Agency
16. Federal Agency Name
17. Award Number
18. Subrecipient Project Description
19. Subrecipient Principle Place of Performance (including Congressional District)
20. SAMs.gov registration
21. The names and total compensation of the five most highly compensated officers of a prime or sub-awardee entity, if the entity in the preceding fiscal year:
    a. Received 80% or more of its annual gross revenues in federal awards and $25,000,000 or more in annual gross revenues from federal awards; and
    b. The public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. See FFATA § 2(b) (1).

GM- 6.2 Digital Accountability and Transparency Act Of 2014 (Data Act)

The Federal Data Act was passed by Congress in 2014 and implementation began May 2015. This legislation was designed to create a more data-driven government and to make federal data more transparent, readily available and standardized. All federal agencies will be required to comply with common reporting standards or the set of outcomes for a particular grant. The prescribed deliverables and outcome objectives will be passed through to the subrecipient.

GM- 6.3 Federal Requirements for Construction Projects

Special federal requirements exist for construction projects that are completed with federal funding; these requirements shall flow down to all subcontractors funded through a grant award. **Federal grant programs can waive some of these requirements so careful review of all conditions and terms of the grant agreement/contract is needed.**

GM- 6.3.1 Buy American Act

Buy American Act requires U.S. Government to prefer U.S. made products in its purchases. It does not necessarily mean a product has to be purchased in America but does give preference to domestic construction material.

GM- 6.3.2 Davis-Bacon Act, Copeland Act, Contract Work Hours and Safety Standards Act

The Davis-Bacon Act of 1931 is a Federal law that established the requirement for paying

prevailing wages on public works projects. All federally funded construction contracts for water treatment works, over $2,000, must include provisions for paying on-site workers no less than the locally prevailing wages and benefits paid on similar projects. Treatment works is defined according to 33 USC 1292(a). This would include, but not be limited to, the construction of stormwater projects, wastewater mains, and other infrastructure associated with septic to sewer projects.

GM-6.3.3 Uniform Relocation Assistance Act

The Uniform Relocation Assistance Act (a.k.a. Uniform Act) of 1970 is a federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The Uniform Act's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federally funded projects.

GM- 6.3.4 National Environmental Policy Act (NEPA)

NEPA is a federal law that mandates assessment of the impacts on the environment of construction funded with federal dollars.

GM- 6.4 National Policy Requirements

Consortium grant staff shall also adhere to National Policy Requirements affecting grants. A sample of these policies is named below. It is also the responsibility of project/program manager to ensure that subrecipients adhere to these applicable policies.

GM-6.4.1 Civil Rights

Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d, et seq. and its implementing regulations provide that no person shall be subjected to discrimination on the basis of race, color, or national origin under any program or activity that receives federal financial assistance. In most cases, when a recipient receives Federal financial assistance for a particular program or activity, all operations of the recipient are covered by Title VI, not just the part of the program that uses the Federal assistance.

GM-6.4.2 Equal Services Provider

Consortium Government is an equal employment and services provider. All grant decisions are based on merit and program need, and not on race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, weight, religion, creed, physical or mental disability, marital status, veteran status, political affiliation or any other factor protected bylaw.

GM-6.4.3 Limited English Proficiency (LEP)

Language for LEP individuals can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by federally funded programs and activities. Title VI regulations require that recipients take reasonable steps to ensure meaningful access to the information, programs, and services they

provide.

GM-6.4.4 American with Disabilities Act (ADA)

In the broadest sense, it requires that state and local governments be accessible to people with disabilities. For additional information regarding statute and regulations http://www.ada.gov/

GM-6.5 Environmental Requirements

The Consortium must comply with all environmental standards, and provide information requested by the awarding agency relating to compliance with environmental standards, including but not limited to the following federal statutes, regulations, and Executive Orders. If applicable, the Consortium must include all of the environmental statutes, regulations, and executive orders listed below in any agreement or contract with a subrecipient, and require the subrecipient to comply with all of these and to notify the Consortium if the subrecipient becomes aware of any impact on the environment that was not noted in the approved application package:

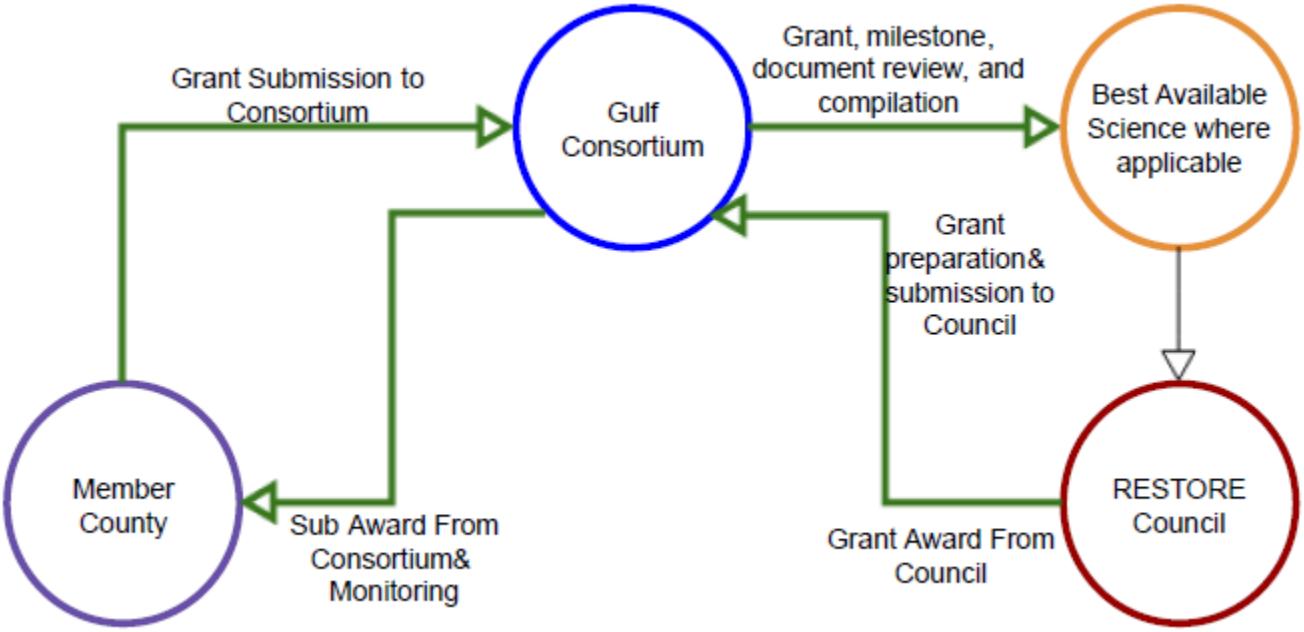
- National Historic Preservation Act, as amended (54 U.S.C. § 300101 et seq.) and Archeological and Historic Preservation Act, as amended (54 U.S.C. § 312501 et seq.)
- The National Environmental Policy Act of 1969, as amended (42 U.S.C. § 4321 et seq.)
- Clean Air Act, as amended (42 U.S.C. § 7401 et seq.), Clean Water Act, as amended (33 U.S.C. § 1251 et seq.), and EO 11738
- The Flood Disaster Protection Act of 1973, as amended (42 U.S.C. § 4002 et seq.)
- The Endangered Species Act of 1973, as amended, (16 U.S.C. § 1531 et seq.)
- The Coastal Zone Management Act, as amended, (16 U.S.C. § 1451 et seq.)
- The Coastal Barriers Resources Act, as amended, (16 U.S.C. § 3501 et seq.)
- The Wild and Scenic Rivers Act, as amended, (16 U.S.C. § 1271 et seq.)
- The Safe Drinking Water Act of 1974, as amended, (42 U.S.C. § 300f-j)
- The Resource Conservation and Recovery Act of 1976, as amended, (42 U.S.C. § 6901 et seq.)
- The Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) (42 U.S.C. § 9601 et seq.) and the Community Environmental Response Facilitation Act (42 U.S.C. § 9601 note)
- Magnuson-Stevens Fishery Conservation and Management Act, as amended (16 U.S.C. §1801)
- Marine Mammal Protection Act, as amended (16 U.S.C § 31)
- Migratory Bird Treaty Act, as amended (16 U.S.C. §§ 703-712)

- Responsibilities of Federal Agencies to Protect Migratory Birds, EO 13186
- Bald and Golden Eagle Protection Act, as amended (16 U.S.C. § 668-668d)
- Marine Protection, Research and Sanctuaries Act (33 U.S.C. §§ 1401-1445 and 16 U.S.C. §§ 1431—1445)
- National Marine Sanctuaries Act, as amended (16 U.S.C. § 1431 et seq.)
- Rivers and Harbors Act of 1899 (33 U.S.C § 407)
- Environmental Justice in Minority Populations and Low Income Populations, EO 12898, as amended
- Floodplain Management, EO 11988, as amended by EO 13690 and, Protection of Wetlands,EO 11990, May 24,1977, as amended by EO 12608
- Farmland Protection Policy Act, as amended (7 U.S.C. § 4201 et. seq.)
- Coral Reef Protection, EO 13089Invasive Species, EO 13112

8. Grant Manual Appendices

Appendix 1 Grant Process Flow Chart
Appendix 2 Grant Submission Checklist
Appendix 3 Risk Assessment Tool
Appendix 4 Grant Closeout Checklist
Appendix 5 PII Policy

GRANT MANUAL APPENDIX 1 GRANT PROCESS FLOW CHART



GRANT MANUAL APPENDIX 2 GRANT SUBMISSION CHECKLIST

Required of all Submissions

√	Documentation	Notes
	Assurances and Certifications	Two signed documents required (see below)
	1. Certifications	Required of all projects; must be signed by the Authorizing Official for the applicant agency
	2. (a) Assurances (Non-Construction)	Required for non-construction projects; must be signed by the Authorizing Official for the applicant agency
	2. (b) Assurances (Construction)	Required for construction projects; must be signed by the Authorizing Official for the applicant agency
	Abstract	See examples and template at https://www.gulfconsortium.org/grant-resources
	Project Narrative	See examples and template at https://www.gulfconsortium.org/grant-resources
	Milestones table	See examples and template at https://www.gulfconsortium.org/grant-resources
	Budget and Budget Narrative	See examples and template at https://www.gulfconsortium.org/grant-resources
	Project Map(s)	At least one project/program location map in PDF form at a scale appropriate to the project/program
	GIS shapefiles	See https://www.restorethegulf.gov/docs/
	Data Management Plan	See examples and template at https://www.gulfconsortium.org/grant-resources
	Observational Data Plan	See examples and template at https://www.gulfconsortium.org/grant-resources

Conditionally Required (Project-Specific)[2]

[1] GCERC Recipient Proposal and Award Guide (RPAG) for Grant Recipients and Federal Interagency Agreement Servicing Agencies is available from **https://www.restorethegulf.gov/gcerc-grants-office**

[2] Required documentation varies depending upon the type of project or program. Submission of applications without "conditional" project-specific documentation is allowed; however applications will be returned by the RESTORE Council Grants Office if all necessary documentation is not provided.

√	Documentation	Notes
	Environmental Compliance Documentation – see template of applicable laws at https://www.gulfconsortium.org/grant-resources	**For any construction implementation portions of projects**
√	**Documentation**	**Notes**
	Negotiated Indirect Cost Rate Agreement (State)	Required if indirect costs are budgeted
	Subrecipient Negotiated Indirect Cost Rate Agreement(s)	Required for each subrecipient agreement where indirect costs are budgeted
	Overhead/General & Administrative (G&A) support documentation	Required if Federal Servicing Agency is charging Overhead or G&A costs
	Subrecipient Budget(s)	Required if there are subrecipients
	Organizational Self-Assessment	Required at the organizational level; this should be submitted prior to or no later than at the time of the organization's first application
	Recipient Internal Control Compliance Document List and Certification	Required at the organizational level with the self-assessment
	SF-LLL	Required if there are recipient or subrecipient lobbying activities
	Engineering and Design Documents	Required for all projects with an E&D component
	Construction Documentation	Required for all projects with a construction component – see below
	Land Acquisition Documentation	Required for all projects that have a land acquisition component – see below

Additional Conditionally Required for Construction and Land Acquisition Projects

Construction – the following are examples of documentation that may be required for projects involving construction; required documentation may vary on a project by project basis.

√	Documentation	Notes
	Evidence of title	For property where construction will occur
	Disclosure of encumbrances	For property where construction will occur
	Applicable permits	Federal, State, or local, related to construction
	Certified plans, engineering designs, construction drawings, specifications and related documents,	As applicable to the project; must be certified by a licensed engineer
	Construction contract(s), if certain procurement processes apply	See Council Recipient Proposal and Award Guide for Grant Recipients and Federal Interagency Agreement Servicing Agencies, Part IV, Chapter IV, section C.1
	Insurance documentation	Upload if applicable
	Bonding documentation	Upload if applicable; may include bid guarantee, performance bond, and/or payment bond
	Notice of Federal Interest, if applicable	Applicable to real property that has been constructed or renovated

Land Acquisition – the following are examples of documentation commonly required for projects involving land acquisition; required documentation may vary on a project by project basis but will typically include all of the following.

√	**Documentation**	**Notes**
	Maps	See below
	• Map of the area in which the real property acquisition will be located,	Boundaries of the acquisition must be clearly delineated
	• GIS shapefiles for all properties acquired	GIS template provided in RAAMS
	• Federal Emergency Management Agency (FEMA) floodplain map of the area in which the real property acquisition will be located	Boundaries of the site must be clearly delineated
	Survey(s)	
	Legal Description	
	Current title opinion	Showing ownership of the property and any deed restrictions
	Title	
	Notice of Property Restrictions/Federal Interest	Required if restrictive covenant not included in title/deed
	For conservation easement acquisitions, submission of the proposed and final conservation easement	Defines the restrictions and permitted uses and practices placed on the property
	Appraisal	Must comply with the Uniform Appraisal Standards for Federal Land Acquisition (UASFLA)
	Appraisal Review	Must comply with UASFLA
	Waiver Valuation, if applicable	Required if appraisal not completed for properties valued under $25,000
	Land Use Plan	Describing current and planned uses and O&M activities

GRANT MANUAL APPENDIX 3 RISK ASSESSMENT TOOL

The Gulf Consortium
RISK ASSESSMENT TOOL

The risk assessment checklist is a tool to assist Consortium staff in assessing risk as described in 2 CFR 200.205 (displayed at the end of this document). The checklist duplicates that which RESTORE Council uses. The categories of risk in column 1 parallel the topics in the regulation and incorporate additional items that are used in other risk assessment methods and tools. One of the primary purposes of the risk assessment process is the review and evaluation of controls that an organization has in place to manage and monitor the use of grant funds. The outcome of the process is a determination of a level of risk assigned to the organization. The determination will inform the Consortium in determining the necessity for the inclusion of special conditions associated with the assigned risk level in the award.

The risk assessment process includes use of the table shown below in conjunction with various sources of information about the organization. Those sources may include the applicant's proposal submission, organizational self-assessment, and information about the organization available to the Consortium from various sources, including System for Award Management (SAM), Federal Awardee Performance and Integrity Information System (FAPIIS), Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS), site visits reports or desk reviews conducted by staff. For each question specific supporting documentation is recommended for review.

Consortium staff may use the table on the following pages to frame its evaluation of the applicant organization in conjunction with supporting resource information described above. The table contains:

Column 1	Risk Category:	List of subjects that should be considered to determine level of risk
Column 2	Decision Factors/questions:	The list of attributes (and sub-divisions) identifying the control activities and the expected implementation or performance of those activities.[1]
Column 3-6	Yes/Somewhat/No/Not applicable:	Options to select whether or not the organization is executing each of the elements.
Column 7	Risk Rating - Low, Moderate, High:	Reviewer's judgement of how well the organization is performing on each category.
Column 8	Basis for rating/comments	Reviewer's notes on factors influencing the assigned rating

The reviewer will consider the attributes in Column 2 (Decision Factors/Questions) and based on available information, select the option in columns 3 through 6 that describes the organization under review. The reviewer will use her/his judgement to assign a risk rating in column 7. Generally, the factors that are considered in assignment of the risk rating include:

- Evaluation of the how well control elements are designed/defined
- Whether or not the organization is performing effectively
- If not, what are the probabilities for and/or impacts of less than acceptable performance?

Column 9 allows the reviewer to document the considerations resulting in the assigned risk rating for that risk category.

[1] Reviewers are free to add more attributes to the essential list, based on additional knowledge and/or additional resources that they may wish to consult.

Risk Category	Decision Factors/Questions	Yes	No	Somewhat	Not Applicable	Low Mod. High	Basis for Rating/ Comments
Operating environment							
• Code of conduct in place covering staff, board, contractors and any other parties responsible for organizational activities	**1.** Organizational processes are in place to monitor institutional integrity and adherence to ethical values. *OSA at 32.*						
	2. Employees, contractors and other individuals responsible for the organization's activities receive instructions/information regarding the code of conduct. *OSA at 32.*						
	3. The code of conduct also addresses conflicts of interest. *OSA at 34.*						
	4. Procedures exist to address violations of the code. *OSA at 38-39.*						
• Effective management and organizational structure	**5.** Organization charts, standard operating procedures and/or other documents clearly identify and define duties, lines of authority and responsibility. *OSA at 30.*						
	6. The organization has confirmed all of the items listed on the Gulf Coast Ecosystem Restoration Council Recipient Internal Control Compliance Document List.						
	7. Management regularly reviews reports, deliverables,						

	expenditures and other programmatic requirements to be sure that the organization remains in compliance. *OSA at 28.*						

Risk Category	Decision Factors/Questions	Yes	No	Somewhat	Not Applicable	Low Mod. High	Basis for Rating/ Comments
Operating environment (continued)							
• Information technology environment	**8.** The organization has policies and procedures governing its information technology environment. *OSA at 46.*						
	9. The organization has adequate information security and access policies, procedures and controls to safeguard important data and information. *OSA at 46.*						
	10. The IT policies and procedures include disaster recovery and back up processes. *OSA at 47.*						
• Potential for problems or major obstacles to completion	**11.** The organization has risk management process and pro-actively works to mitigate risk. *OSA at 19.*						
	12. The organization has specific processes to identify, assess, and manage both internal and external risks related to financial management. *OSA at 4, 11, 14, and 17.*						
• Record-keeping and document management	**13.** The organization maintains adequate written records of its activities, as required by 2 CFR 200.203(b). *Cite source in comments (e.g. "personal knowledge" or "Feb. 26, 2016 phone call with staff").*						
	14. The organization maintains its records in an electronic system to ease location and retrieval. *Cite source in comments (e.g. "personal knowledge" or "Feb. 26, 2016 phone call with staff").*						
	15. Records associated with each grant agreement are maintained separately. *Cite source in comments (e.g. "personal knowledge" or "Feb. 26, 2016 phone call with*						

	staff”).						

Risk Category	Decision Factors/Questions	Yes	Somewhat	No	Not Applicable	Low Mod. High	Basis for Rating/ Comments
Financial stability							
• Budget	**16.** The organization's procedures allow it to ensure that all costs are reasonable, allocable and allowable, as required by regulation. *OSA at 12.*						
	17. The organization has a negotiated indirect cost rate agreement (NICRA) in place with its federal cognizant agency. *OSA at 7.*						
	18. The organization has written policies and procedures governing cash management. *OSA at 14.*						
	19. The organization draws down funds to meet immediate needs and minimize time from receipt to disbursement of funds. *OSA at 15.*						
• Drawdown record	**20.** The organization has been timely in the draw-down of previous federal funds. *OSA at 15.*						
	21. No inconsistencies have been noted in the draw-down of funds or in the SF-425 Federal Financial Report. *Select NA for the first time applicant. See SF-425s in RAAMS.*						
• Financial risk category	**22.** The organization displays no evidence of financial risk. *See FAPIIS.*						
• Delinquent federal debt	**23.** The organization has no delinquent federal debt. *See SAM.gov.*						

The Gulf Consortium
RISK ASSESSMENT TOOL

Risk Category	Decision Factors/Questions	Yes	No	Somewhat	Not Applicabl	Low, Mod., High	Basis for Rating/Comments
Financial stability (continued)							
• Sound fiscal management practices	**24.** The organization's financial management practices provide for a clear separation of duties. *OSA at 13.*						
	25. The organization has established clearly defined financial reporting objectives that meet the requirements of the grant program. *OSA at 1.*						
	26. Financial statements can be tied back to source documents and vice versa. *OSA at 2.*						
	27. Financial statements provide enough details for management to make informed decisions. *OSA at 2.*						
	28. Financial controls ensure that federal funds are only used as intended to fulfill the terms of the award agreement. *OSA at 57.*						
• Recipient procurement system	**29.** The organization has written procurement procedures and adheres to an appropriate legal, regulatory and procedural framework. *OSA at 49.*						
	30. The organization's procurement system provides for the conduct and documentation of cost or price analysis for each procurement action. *OSA at 50*						
	31. The organization has an effective system of internal controls to provide reasonable assurance that contractors and subcontractors are properly notified of all						

The Gulf Consortium
RISK ASSESSMENT TOOL

Risk Category	Decision Factors/Questions	Yes	No	Somewhat	Not Applicabl	Low, Mod., High	Basis for Rating/Comments
	requirements and that the required certified payrolls are submitted to the non-federal entity. *OSA at 51.*						

Risk Category	Decision Factors/Questions	Yes	No	Somewhat	Not Applicabl	Low, Mod., High	Basis for Rating/Comments
Financial stability (cont.)							
• Asset management	**32.** The organization has policies, procedures and systems for asset management. *OSA at 52.*						
	33. The organization maintains detailed records for all property, land, equipment and other both tangible and intangible assets associated with grant-funded projects or programs. *OSA at 53.*						
	34. The organization has processes in place to safeguard and maintain assets acquired using federal funds. *OSA at 8(a) and 53.*						
	35. The organization manages assets acquired using federal funds in accordance with regulations, including updating documentation associated with the assets. *OSA at 8(a) and 55.*						

• Subrecipient award and monitoring practices	**36.** The organization has a methodology to assess the capabilities of its subrecipients to ensure that each subrecipient has adequate capability, management experience, and resources to meet its responsibility under the grant. *OSA at 57(a) and 59.*						
	37. The organization establishes a formal written agreement with all subrecipients specifying the terms and conditions of the subaward. *OSA at 59.*						
	38. The organization provides training for/information to its subrecipients on their responsibilities in managing federal grant funds. *OSA at 61(a) & (b), 62.*						

The Gulf Consortium
RISK ASSESSMENT TOOL

Risk Category	Decision Factors/Questions	Yes	No	Somewhat	Not Applicable	Low Mod. High	Basis for Rating/ Comments
Financial stability (cont.)							
	39. The organization monitors its subrecipients to confirm that they are in compliance with their grant agreements and with federal regulations. *OSA at 57 et al.*						
	40. Subrecipient monitoring includes review of expenses and periodic reconciliations between budgeted and expended amounts. *OSA at 58(a).*						
• Protections against waste, fraud or abuse	**41.** The organization has established controls to prevent fraud, misuse or misappropriation of resources, with special attention to potential fraud risks, such as incentives, pressure, opportunity or rationalization. *OSA at 38.*	X					
	42. Fraud risk is incorporated into the institutional risk assessment process and reviewed periodically to ensure that controls are working as intended. *OSA at 42*	X					
	43. The organization conducts fraud awareness training for its employees, contractors and others responsible for carrying out organizational activities. *OSA at 41.*	X					
	44. The organization investigates, documents and adjudicates/remediates any reported or discovered incidents of fraud. *OSA at 42.*	X					
• Financial and accounting system	**45.** The organization has a computer-based (automated) accounting/financial management system. *OSA at 26.*	X					

The Gulf Consortium
RISK ASSESSMENT TOOL

Risk Category	Decision Factors/Questions	Yes	No	Somew	Not Applica	Low Mod. High	Basis for Rating/ Comments
	46. The accounting /financial system supports generation of required reports that are accurate current, complete and compliant. *OSA at 5.*	X					
Financial stability (cont.)							
	47. The accounting records are structured in a manner that allows grant funds to be managed and tracked individually. *OSA at 5.*						
	48. The organization is able to manage and track the time that individuals charge to the grant-funded project/program. *OSA at 17.*						
• Accounting practices	**49.** The organization has a procedure manual for the accounting/ financial system that includes procedures for managing the general ledger, as well as the production of all financial statements. *OSA Addendum and/or cite other sources.*						
	50. The organization follows generally accepted accounting principles (GAAP) in managing its transaction processing environment. *OSA at 1(a).*						
	51. The organization's financial management and accounting processes also support Generally Accepted Auditing Standards (GAAS). *OSA at 1(b)*						
• Internal control structures	**52.** Organization has documented its internal controls processes. *OSA at 19.*						

	53. The organization has a procedure for employees, management or others to report internal control weaknesses/problems. *OSA at 19.*						
History of performance							
• Past performance	**54.** The organization has a positive past performance record in its management of federal funds. *Select NA for the first time applicant. Thereafter see monitoring reports.*						
Risk Category	**Decision Factors/Questions**	**Yes**	**No**	**Somew**	**Not Applica**	**Low, Mod., High**	**Basis for Rating/Comments**
Reports and findings from audits							
• Timeliness of submission and response to program & regulatory requirements	**55.** Recipient has been timely in the submission of budget and project amendment requests, prior approval requests and any extension requests. *Select NA for the first time applicant. Thereafter see RAAMS and the grant file.*						
	56. Recipient has been timely in the submission of financial and performance reports. *Select NA for the first time applicant. Thereafter see performance reports on RAAMS.*						
• Internal audit	**57.** The organization has an internal audit department or unit that conducts reviews on a regular basis. *OSA at 24(a).*						
	58. Findings of internal control deficiencies are addressed in a timely manner by the organization. *OSA at 24(b).*						
• Prior/recent audit findings resolved	**59.** External auditors review, evaluate and report on the strengths and weakness of the organization's internal controls. *OSA at 24(a).*						

	60. The organization responds to audit findings in writing and in a timely manner. *OSA at 24(b).*						
	61. (a) The organization has had an A-133 audit performed within a recent fiscal year. *OSA at 23(b).*						
	61. (b) The organization has had an audit of a grant funded project within a recent fiscal year. *OSA at 24(a).*						
• Audit with findings that might impact the pre-award management and financial assessment	**62.** The organization has no recent audit findings that would affect the granting of an award. *OSA at 23(c).*						
Risk Category	**Decision Factors/Questions**	**Yes**	**No**	**Somewhat**	**Not Applicable**	**Low, Mod., High**	**Basis for Rating/Comments**
Ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities							
• Prior experience in managing /received prior federal grants	**63.** The organization has previously received federal assistance awards in the form of grants, loans or cooperative agreements of a similar size, duration and/or complexity. *Cite source in comments (e.g. "personal knowledge" or "Feb. 26, 2016 phone call with staff").*						
	64. The organization has staff that have knowledge and understanding of federal grant law, regulations, and procedures. *Cite source in comments (e.g. "personal knowledge" or "Feb. 26, 2016 phone call*						

	with staff").						
	65. The organization has formal written policies and procedures or a grants manual to manage federal grants. *OSA at 30.*						
	66. Management periodically reviews all reports, deliverables, expenditures, and other requirements related to federal grant programs to ensure that guidelines and requirements are being met. *OSA at 28.*						
• Knowledgeable or experienced staff	**67.** Staff (and/or contractors) have an adequate level of experience and/or expertise in subject matter and/or grants environment to perform the program. *Cite source in comments (e.g. "personal knowledge" or "Feb. 25, 2016 phone call with staff").*						
Risk Category	**Decision Factors/Questions**	**Yes**	**No**	**Somew**	**Not Applica**	**Low, Mod., High**	**Basis for Rating/Comments**
• Awareness/understanding of federal regulations, esp. 2 CFR 200	**68.** The organization is able to demonstrate/document adequate knowledge of and/or experience in applying regulations. *OSA at 29.*						
Excluded Parties, Legal Issues and Investigations							
• Excluded Parties Listing System (EPLS)	**69.** Organization does not appear on the Excluded parties List. *See SAM.gov.*						
• Any other legal issues, i.e. lawsuits, staff under criminal investigation	**70.** Organization has no other outstanding legal issues or investigations pending. *See FAPIIS.*						

• Outstanding/on-going OIG investigations	**71.** No known evidence of an outstanding or on-going investigation of the organization.						
Summary of Analysis	**Based on the totality of the information available, the applicant's overall risk rating is:** Low/Medium/High	**Please use this space to indicate any concerns.**					

Further	**Use this space to record notes on recommendations for Special Conditions or on issues for further monitoring.**

The Gulf Consortium
RISK ASSESSMENT TOOL

Actions	

_____ has conducted the risk analysis. _____
Gulf Consortium - Controller. Date

_____ concurs with the analysis. _____
Gulf Consortium – General Manager Date

The Gulf Consortium
RISK ASSESSMENT TOOL

From 2 CFR 200

§200.205 Federal awarding agency review of risk posed by applicants.

(a) Prior to making a Federal award, the Federal awarding agency is required by 31 U.S.C. 3321 and 41 U.S.C. 2313 note to review information available through any OMB-designated repositories of governmentwide eligibility qualification or financial integrity information, such as Federal Awardee Performance and Integrity Information System (FAPIIS), Dun and Bradstreet, and "Do Not Pay". See also suspension and debarment requirements at 2 CFR part 180 as well as individual Federal agency suspension and debarment regulations in title 2 of the Code of Federal Regulations.

(b) In addition, for competitive grants or cooperative agreements, the Federal awarding agency must have in place a framework for evaluating the risks posed by applicants before they receive Federal awards. This evaluation may incorporate results of the evaluation of the applicant's eligibility or the quality of its application. If the Federal awarding agency determines that a Federal award will be made, special conditions that correspond to the degree of risk assessed may be applied to the Federal award. Criteria to be evaluated must be described in the announcement of funding opportunity described in §200.203 Notices of funding opportunities.

(c) In evaluating risks posed by applicants, the Federal awarding agency may use a risk-based approach and may consider any items such as the following:

(1) Financial stability;
(2) Quality of management systems and ability to meet the management standards prescribed in this part;
(3) History of performance. The applicant's record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;
(4) Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits; and
(5) The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities.

(d) In addition to this review, the Federal awarding agency must comply with the guidelines on governmentwide suspension and debarment in 2 CFR part 180, and must require non-Federal entities to comply with these provisions. These provisions restrict Federal awards, subawards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities

~~The Gulf Consortium~~
~~RISK ASSESSMENT TOOL~~

~~The Gulf Consortium~~
~~RISK ASSESSMENT TOOL~~

GRANT MANUAL APPENDIX 4 GRANT CLOSEOUT CHECKLIST

Close Out Requirements Checklist – [insert project name and FAIN]

For Gulf Coast Ecosystem Restoration Council Grants

PIPER Requirements (Access at https://www.restorethegulf.gov/apps/piper/web)

☐ Performance Reporting Questionnaire (PIPER Web Form) *Note: Detailed instructions for submitting an award closeout performance report in PIPER are available in the PIPER Performance Report Module User Manual (pg 18)

☐ Updated Final Metrics (PIPER Web Form)

☐ Updated Leveraged Funding Data (if applicable) (PIPER Web Form)

☐ Final GIS Files (Uploaded with final Performance Report)

☐ Final Updated Observational Data Plan (Uploaded with final Performance Report)

☐ Final Updated Data Management Plan (Uploaded with final Performance Report)

☐ Observational Data Closeout Report (Complete here: https://docs.google.com/forms/d/e/1FAIpQLSepuhXNcyvYPvJajYTEPcxGhNtcfwvNZPwNdRniQRP18I5tHg/viewform) *Note: This should be completed outside of PIPER and then uploaded as a PDF to the Performance Report. PSEP awards are exempt from completing the Observational Data Closeout Report requirement

☐ Final update and "publish" of MERLIN Metadata Record
Details about creating and editing metadata records in MERLIN are available at: https://restorethegulf.gov/merlin-landingpage. Please reach out to merlin@restorethegulf.gov for additional questions about accessing MERLIN or editing metadata records.

GrantSolutions Requirements (Access at https://www.grantsolutions.gov)

☐ Completed Final FFR (GrantSolutions Web Form)

☐ Final Milestones Sheet (upload to GrantSolutions)

☐ Final Expenditures Sheet (upload to GrantSolutions)

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☐ Financial Reporting Narrative (upload to GrantSolutions)

☐ Close Out Certification (upload to GrantSolutions)

~~GULF CONSORTIUM GRANT CLOSEOUT CHECKLIST~~			
~~**Within 30-45 days of grant agreement's end date, this Grant Closeout checklist must be completed, signed by the General Manager and returned to OMB Grants team before the project can be closed in the grant management system.**~~			
~~**Project Number** _____ **Project Name**_____~~ ~~**Agreement Start Date**_____**Agreement End Date**_____~~	~~**YES**~~	~~**NO**~~	~~**N/A**~~
~~Have all project expenditures for the entire project period been accounted for in the grant management system?~~			
~~Have all requisitioned supplies and/or services been received and/or completed by the grant expiration date?~~			
~~Have all required request for reimbursables/drawdowns been submitted to the grantor agency (attach screenprint of submittals to appropriate A/R invoices)?~~			
~~Have all corresponding grant billing events been performed in the grant management system?~~			
~~Has documentation showing Manager approvals for reimbursement requests/drawdowns been attached to the invoice screen in grant management software?~~			
~~Has all revenue from grant billing events been received and applied to the appropriate A/R Invoice in grant management software(verify and keep documentation in hard-copy grant file)?~~			
~~Where needed, have all adjustments to reimburse requests been processed?~~			
~~Have all invoice corrections, revenue adjustments, payroll corrections, change orders to P.O.'s etc., been made?~~			
~~Has a final reconciliation between project expenditures and the general ledger been performed (attach reconciliation schedule to final invoice from the grant management system)?~~			
~~Have all required financial reports been submitted to the grantor agency (e.g. SF-425) and attached to in the grant management system?~~			
~~Have all final required program and technical reports been submitted to the grantor agency (e.g. ; SF-425) and attached to "Project Screen" in the grant management system?~~			
~~Has any property been acquired with grant funds? If yes, ensure the Asset Addition Form has been completed and submitted to the Finance Manager~~			
~~Was program income generated? If so, was it fully applied against project expenditures if required by grant (attach written documentation of this in the grant management system)~~			
~~Have all disposition procedures been followed for grant acquired equipment/ supplies?~~			
~~Has a project completion report been filed with the grantor agency and attached to the project in the grant management system?~~			
~~Have you received your grant close out notice from the grantor (of so, attach to the project in the grant management system)?~~			

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~~RISK ASSESSMENT TOOL~~

~~Have retention requirements been implemented for all grant-related documents (minimum 3 years for Federal, 5 years for state after receiving Closeout Notice from Grantor)?~~			
~~Comments:~~			
~~**Grants Administrator** **Finance Manager** **Date**~~			

GULF CONSORTIUM POLICY ON SAFEGUARDING PERSONALLY IDENTIFIABLE INFORMATION

PURPOSE:

The Consortium is committed to maintaining the confidentiality of Personally Identifiable Information ("PII"), except as may be otherwise required pursuant to Florida law. This policy applies to Consortium staff, contractor or service provider staff, sub-grantees, or any other person doing business with Consortium.

POLICY:

The Consortium, a Special District of the state of Florida, is the recipient of certain Federal grants and cooperative funding agreements and is subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Notwithstanding the Consortium's obligations under the Uniform Administrative Requirements for Federal awards it is the stated policy of Consortium to protect PII in the course of doing business to the maximum extent allowable pursuant to Federal and State law. This policy applies to contractors, service providers, sub- grantees, or other entities providing services to Consortium on projects derived from Federal funding.

PII DEFINITION:

As defined in 2 C.F.R. § 200.82, "Protected PII means an individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, [security] clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, and educational transcripts. This does not include PII that is required by law to be disclosed.

According to 2 C.F.R. § 200.79, "PII means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.

Some information that is considered to be PII is available in public sources such as telephone books, public web sites, and university listings. This type of information is considered to be Public PII and includes, for example, first and last name, address, work telephone number, email address, home telephone number, and general

educational credentials. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified. Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source, that, when combined with other available information, could be used to identify an individual."

The U.S. Department of Homeland Security (DHS 2015) describes non-sensitive versus "Sensitive" PII. Some PII is not considered Sensitive, such as information on a business card. Other PII is Sensitive that if lost, stolen, or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual.

GENERAL GUIDELINES AND PROCEDURES (from DHS 2015)**:**
The following guidelines and procedures apply to Consortium staff, contractors, consultants, service providers, sub-grantees and/or other persons handling PII in association with Consortium business including but not limited to State and Federal grants.

General Guidelines

- If your position involves collecting or maintaining Sensitive PII electronically, you should limit your access to only that information needed to carry out the duties of your job.
- You should ensure that documents are not accessible to casual visitors, passersby, or other individuals within the office without a "need to know." If you leave your workspace for any reason, or have others in the immediate vicinity of Sensitive PII, you should activate your screen saver or put your monitor in a sleep mode. At the end of the day, you should always log-off your computer.
- Ensure privacy while discussing Sensitive PII during office or telephone conversations.
- When emailing Sensitive PII, save it to a separate document and password-protect or encrypt it. Send the protected document as an email attachment and provide the password to the recipient by phone or in a separate email.
- Do not leave hard copy forms of Sensitive PII unattended in non-secure areas such as on desks, tables, printers, or copiers. Secure hard copies of Sensitive PII in a locked desk drawer, file cabinet, or other secure enclosure when not in use. When using Sensitive PII, use it in a secure, limited-access area limited to persons with an official need to know.

- Avoid faxing Sensitive PII if possible.
- If accessing PII away from the office, place the document on a USB drive, or access the data through the Virtual Private Network (VPN) on your computer.

General Procedures

1. All parties must ensure that PII used during the performance of Federal grants has been obtained in conformity with applicable Federal or State law.
2. To ensure PII is not transmitted to unauthorized persons, all PII and sensitive data sent via email or stored electronically must be encrypted using industry- standard information processing standards. Emailing unencrypted PII to any entity is not permitted.
3. All PII must be stored in an area that is physically safe from access by unauthorized persons. The data must be processed using Consortium (or related contractor or service provider) equipment and information technology at approved designated locations. Personal Electronic Devices will not be used to process PII.
4. Records/documents containing Pll may not be left open and unattended, will be stored in reasonably secure areas including locked rooms or cabinets, and staff handling PII as part of their official duties will treat such documents as confidential.
5. Persons who have access to Pll will be advised of the confidential nature of the Pll, the safeguards required to protect the Pll and that there are civil and criminal sanctions for noncompliance with such safeguards that are contained in Federal law.
6. Contractors, service providers, sub-grantees, and others must have established policies and procedures under which their employees and other personnel are aware and acknowledge the sensitive and confidential nature of PII and the safeguards with which they must comply.
7. Contractors and service providers must not extract information from data supplied for any purpose not stated in the grant or funding agreement.
8. Access to PII created by the Consortium must be restricted to only those Consortium employees or employees of contractors, service providers or sub- grantees who need such information to perform duties in their official capacity.
9. All PII data must be processed in a manner that will protect the confidentiality of records and documents and is designed to prevent the unauthorized dissemination of such information by electronic or other means.
10. Records/Documents that constitute official public records may be released pursuant to a public records request following procedures outlined in Florida law and Consortium policy.
11. Appropriate methods of destroying Pll will be used by the Consortium and its contractors or service providers when records are eligible for destruction pursuant to applicable records retention laws and destroyed. Such methods may include shredding, burning, or electronically deleting PII.

12. Any breach or suspected breach of Pll must be reported to the Grantee immediately.

Failure on the part of Consortium employees or its contractors, service providers, sub-grantees, and other persons handling PII in association with Consortium business may result in appropriate remedial action including but not limited to employee discipline and contractual termination.

PII SAFEGUARDS WITHIN FLORIDA STATUTES § 119 ("PUBLIC RECORDS"):

As reflected in Florida Statutes (FS), Chapter 119 (2016) ("Public Records"), the bulk of records that Consortium collects or creates are subject to public disclosure. "Protected Personally Identifiable Information" ("PPII") is often contained within Consortium records. Under many circumstances; however, PPII is exempt from disclosure under FS § 119. For example, under FS § 119.071(1)(c), "any financial statement [the Consortium] requires a prospective bidder to submit in order to prequalify for bidding or for responding to a proposal for a road or any other public works project is exempt [from disclosure]." In addition, under FS § 119(5)(b), "bank account numbers and debit, charge, and credit card numbers held by an agency are exempt [from disclosure]." Perhaps most pertinently, under FS § 119.071(5)5, "Social security numbers [SSN] held by an agency are confidential and exempt [from disclosure]." Taking this exemption for SSNs a step further, under FS § 119.071(5)2.a., "[the Consortium] may not collect an individual's SSN unless the Consortium has stated in writing the purpose for its collection and unless it is: (I) Specifically authorized by law to do so; or (II) imperative for the performance of that agency's duties and responsibilities as prescribed by law." It follows that FS § 119—despite its broad ambit—has PPII safeguards built within the statute that help the Consortium comply with CFR § 200.303 ("Internal Controls").

FS § 119 does dictate several scenarios where PPII such as SSNs must be disclosed to third parties. Most notably, under FS § 119(5)(a)7.b., "[the Consortium] may not deny a 'commercial entity' engaged in the performance of a 'commercial activity' access to SSNs, provided the SSN will be used only in the performance of a commercial activity and provided the 'commercial entity' makes a written request for the SSNs. The written request must (I) [b]e verified as provided in FS § 92.525; (II) [b]e legibly signed by an authorized officer, employee, or agent of the commercial entity; (III) contain the commercial entity's name, business mailing and location addresses, and business telephone number; and (IV) contain a statement of the specific purposes for which it needs the SSNs and how the SSNs will be used in the performance of a 'commercial activity,' including the identification of any specific federal or state law that permits such use." Significantly, FS § 119(5)(a)7.a defines "commercial entity" and "commercial activity" for purposes of FS § 119(5)(a)7 to avoid broad interpretation of these terms. Furthermore, under FS § 119(5)7.c., "[the Consortium] may request any other information reasonably necessary to verify the identity of a 'commercial entity' requesting the SSNs and the specific purposes for which the numbers will be used." To ensure that "agencies"

like the Consortium are checking off these provisions prior to disclosing SSNs, FS § 119(5)(a)8.b. subjects public officers to a (maximum) $500 fine per violation of FS § 119(5)(a). Moreover, *any person* who makes a false representation to obtain an SSN through FS § 119(5)(a) commits a third-degree felony under State law. It follows that while "commercial entities" can acquire SSNs through records requests under FS § 119, there again remain numerous safeguards in place to help the Consortium comply with CFR § 200.303 ("Internal Controls").

REFERENCES:

2 C.F.R. § 200.79. Personally Identifiable Information (PII). Title 2 Code of Federal Regulations § 200.79, February 11, 2016.

2 C.F.R. § 200.82. Protected Personally Identifiable Information (Protected PII). Title 2 Code of Federal Regulations § 200.82, February 11, 2016.

Chapter 119, Florida Statutes (Public Records Law).

DHS. 2015. U.S. Department of Homeland Security, DHS 4300A Sensitive Systems Handbook, Version 12.0, November 15, 2015. https://www.dhs.gov/sites/default/files/publications/4300A%20Sensitive-Systems- Handbook-v12_0-508Cs.pdf.

AGENDA ITEM 8

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 8
Grant Applications and SEP Project Status

Statement of Issue:
A table of all newly submitted applications is included as an attachment to this item. Two new grant applications are presented to the Consortium for review and approval for full Board consideration and subsequent processing and submission to RESTORE Council.

Background:
The next recommended deadline for submission of grant application materials is 8/12/2022, to allow for staff time to prepare applications for the September 2022 Consortium Board Meeting. See project data dashboard (page navigation arrows at bottom of dashboard) for project and milestones lists:

http://datavisual.balmoralgroup.us/GulfConsortiumProjects. Please let us know if you have projects planned for later that could possibly start now; these can be reviewed by the Board if they are able to start sooner than originally planned.

Please consider what work you want to start in the next year; if you want Bucket 3 funded work to start by September 2023, you should start the funding application process now. Pre-award costs may be allowable but that brings some extra risk.

Project Highlights: the wastewater design bundle (Citrus County 13-2 NW Quadrant Sewer Extension; Okaloosa County 3-4 BSAIP WRF Effluent Disposal Expansion; Santa Rosa County 2-1 Soundside Drive Septic to Sewer Conversion, Phase I) has completed all design and permitting. Thank you to our subrecipient Counties for excellent project management for this project! Construction is proceeding in all 3 counties under new Bucket 3 awards – Citrus and Okaloosa are awarded from RESTORE Council funds; Santa Rosa is pending an amendment to add construction to the monitoring program award for 2-1. This 3-County project for design work is now being closed out.

Reminder: all active projects can be reviewed here:

https://datavisual.balmoralgroup.us/GulfConsortiumStoryMap

That link includes access to all project deliverables (plans, permits, as-built documentation, etc.)

Most Recent Activity:
The following two grant applications for SEP project implementation have been prepared in conjunction with County personnel:

- Hernando County - 14-5: Coastal Stormwater Improvement – Calienta Street (Construction) **$2,448,809**

- Gulf County - 6-1: Port St. Joe Sewer Upgrade (Acquisition; Construction) **$867,835**

Total: **$3,316,644**

This includes pre-award costs for grant application preparation, and 50 hours/year for management efforts and legal effort is budgeted at 60 hours total for each project.

Attachments:

- Project applications summary table
- Certification and Assurances form
- Construction Certifications

Options:

(1) Approve these grant applications
(2) Board Direction

Recommendation:

Option 1

Prepared by:

Dan Dourte
The Balmoral Group, Grants Administrator
On: June 14, 2022

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended_____; Defeated_____.

Project Applications Summary Table

County	Project Name	Milestones	Metrics	Amount	Sub-recipient Amount	Start Date	End Date	Pre-award Budget	County Risk/ Project Risk
Hernando	14-5: Coastal Stormwater Improvement – Calienta Street	Construction	RES002 - Upgrades to stormwater and/or wastewater systems	$2,448,809	$2,400,000	1/1/2023	3/1/2026	$10,250	Low / Low
Gulf	6-1: Port St. Joe Sewer Upgrade	Acquisition; Construction	RES002 - Upgrades to stormwater and/or wastewater systems	$867,835	$825,000	10/1/2022	12/1/2024	$10,250	Low / Moderate
Total Pot 3 funding request:				**$3,316,644**	**$3,225,000**				

NOTE: See all project status on P. 7 of http://datavisual.balmoralgroup.us/GulfConsortiumProjects
(navigation arrows at bottom of screen on that link)

Certification and Assurances Instructions for Grant Awards

The Gulf Coast Ecosystem Restoration Council (Council) is the independent federal entity established by the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast Act of 2012 (33 U.S.C. § 1321(t) and *note*) (RESTORE Act). The Council is made up of the five Gulf Coast States (Alabama, Florida, Louisiana, Mississippi, and Texas) and six federal agencies (the U.S. Departments of the Army, Agriculture, Commerce, Homeland Security, and Interior, as well as the Environmental Protection Agency) and is responsible for managing a portion of the Gulf Coast Restoration Trust Fund. Specifically, the Council manages two RESTORE Act components: the Council-Selected Restoration Component (33 U.S.C. § 1321(t)(2)) and the Spill Impact Component (33 U.S.C. § 1321(t)(3)). For awards made under both components, the Council uses the standards set forth in the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR part 200), and which the Council has adopted at 2 CFR § 5900.101.[1]

These certifications are required by federal law, U.S. Department of the Treasury (Treasury) regulations, and the RESTORE Act and must be submitted with each application to the Council for financial assistance under both the Council-Selected Restoration and Spill Impact Components. The certifications must be signed by an authorized senior official (or authorized representative) of the Applicant who can legally bind the entity and has oversight for the administration and use of the RESTORE Act funds.

Please read the forms carefully and complete the required certifications. Once the authorized senior official has signed the documents, please scan the signed certification document and submit it electronically along with any applicable SF-424 Assurances. The appropriate signed certification and assurances documents must be included as uploaded documents with the agreement application package submitted to the Council through GrantSolutions. In addition, these certifications must be submitted to the Council on at least an annual basis.[2]

- RESTORE Council Applicant Certifications - includes the required RESTORE Act certifications; certification regarding debarment, suspension and other responsibility matters; certification regarding drug-free workplace requirements; and required certifications regarding lobbying.

- Assurances – Construction Programs via submission of Form SF-424D are only required for projects involving construction or real property/ land acquisition.[3]

If you have questions regarding the appropriate documents to submit, please contact the Council Grants Office.

Additional certifications are required in the following situations throughout the award life cycle:

- Disclosure Form to Report Lobbying - in some situations, described in Section D, "Certification Regarding Lobbying," on the Council Applicant Certifications, the Applicant must also submit Form SF-LLL, "Disclosure Form to Report Lobbying".

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[1] *See also* 2 CFR §§ 200.205, 200.207, 200.300, 200.302, and 200.303.
[2] See 2 CFR § 200.208.
[3] The past version of this certification form required that applicants complete the Assurances – Non-Construction Programs (Form SF-424B); however, these assurances are now required of all applicants through the System for Award Management (SAM.gov) and are no longer required to be submitted along with these certifications.

- Additional Certifications Required for Expenditures - an official signature is required on all expenditures. The official signature certifies and assures that expenditures are proper and in accordance with the terms and conditions of the federal award and approved project budgets. The semi-annual and final financial reports or vouchers requesting payment under the award must include a certification, signed by an authorized senior official who is authorized to legally bind the non-federal entity, which reads as follows: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (*See* 18 U.S.C. §§ 287 and 1001 and 31 U.S.C. §§ 3729-3730 and 3801-3812)." *See also* 2 C.F.R. § 200.415 "Required certifications."

Certification of the Applicant's Authorized Senior Official

For each of the certification documents, identify the individual who has the authority to commit the organization to the Council's grant management requirements and who can certify the accuracy of the statements made in the forms.

Gulf Coast Ecosystem Restoration Council

Applicant Certifications for Grants

Directions: These certifications are required by federal law and U.S. Department of the Treasury (Treasury) regulations to be submitted with each application to the Gulf Coast Ecosystem Restoration Council (Council) for financial assistance under the Council-Selected Restoration Component or Spill Impact Component, which components are authorized under the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast Act of 2012 (33 U.S.C. 1321(t) and note) (RESTORE Act). The certifications must be signed by an authorized senior official of the Applicant who can legally bind the entity and has oversight for the administration and use of the Council-Selected Restoration or Spill Impact Component funds.

A. RESTORE Act Certification

Pursuant to the RESTORE Act, I certify that for any award Agreement resulting from this application:

1. Each activity funded under the Agreement has been primarily designed to plan for or undertake activities to restore and protect the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, coastal wetlands, or economy of the Gulf Coast region.
2. Each activity funded under the Agreement is designed to carry out one or more of the eligible activities for the Council-Selected Restoration Component or Spill Impact Component.
3. Each activity funded under the Agreement, other than planning assistance, was part of a plan made available for public review and comment in a manner calculated to obtain broad-based participation from individuals, businesses, Indian Tribes, and nonprofit organizations, and that the activity was selected after consideration of meaningful input from the public, as described in the grant application.
4. Each activity funded under the Agreement that protects or restores natural resources is based on the best available science, as that term is defined in 31 CFR part 34.
5. The recipient has procedures in place for procuring property and services under this award that are consistent with the procurement standards applicable to federal grants. This recipient will not request funds under the Agreement for any contract unless this certification remains true and accurate.
6. Pursuant to 31 CFR § 34.802(f), there is a conflict of interest policy in effect that covers each activity funded under the Agreement. In addition, pursuant to 2 CFR § 200.112, the recipient will disclose in writing any actual or potential conflict of interest to the Council within 14 business days of the date the recipient learns of or discovers the conflict .

I make each of these certifications based on my personal knowledge and belief after reasonable and diligent inquiry, and I affirm that the Applicant maintains written documentation sufficient to support each certification made above, and that the Applicant's compliance with each of these certifications is a condition of the Applicant's initial and continuing receipt and use of the funds provided under the Agreement.

B. Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions

Instructions: The inability of an Applicant to provide the certification required below will not necessarily result in the denial of participation in this covered transaction, but if the Applicant is unable to do so, the Applicant must submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the Council's approval of the proposed Application. However, failure of the Applicant to furnish a certification or an explanation shall disqualify such person/entity from participation in this transaction. Please be advised of the following:

1. *This certification is a material representation of fact upon which reliance is placed when the Council determines to enter into this transaction. If it is later determined that the Applicant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Council may terminate this transaction for cause or default.*

2. *The Applicant shall provide immediate written notice to the Council if at any time the Applicant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.*

3. *The terms "covered transactions," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal", and "voluntarily excluded," as used in this certification, are defined consistent with Treasury's Governmentwide Debarment and Suspension (Nonprocurement) regulations, which are set out at 31 CFR part 19 and which implement Executive Order 12549. You may contact the Council for assistance in obtaining a copy of Treasury's regulations.*

4. *The Applicant agrees by submitting this Application that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Council.*

5. *The Applicant further agrees by submitting this Application that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," to be provided by the Council, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions (see the Appendix to 31 CFR part 19 – Covered Transactions).*

6. *A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.*

7. *Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.*

8. *Except for transactions authorized under paragraph 4 of this certification, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in the transaction, in addition to other remedies available to the Federal Government, the Council may terminate the transaction for cause or default.*

By signing and submitting the Application, the prospective primary participant (the Applicant) is providing the certification set out below.

The prospective primary participant (the Applicant) certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

2. Have not within a three-year period preceding this Application 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 for or otherwise criminally or civilly charged by a governmental entity (federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

4. Have not within a three-year period preceding the Application had one or more public transactions (federal, State, or local) terminated for cause or default.

Where the Applicant is unable to certify to any of the statements in this certification, such Applicant shall attach an explanation to the Application.

C. Certification Regarding Drug-Free Workplace Requirements

The Applicant certifies that it will provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employee for violations of such prohibition;
2. Establishing a drug-free awareness program to inform employees about:
    a. The dangers of drug abuse in the workplace;
    b. The Applicant's policy of maintaining a drug-free workplace;
    c. Any available drug counseling, rehabilitation, and employee assistance program; and
    d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace
3. Making it a requirement that each employee to be engaged in the performance of the award be given a copy of the statement required by paragraph (1) of this certification;
4. Notifying the employee in the statement required by paragraph (1) of this certification that, as a condition of employment in such grant, the employee will:
    a. Abide by the terms of the statement; and
    b. Notify the employer of any criminal drug use statute conviction for a violation occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the granting agency in writing, within ten calendar days after receiving notice of a conviction under paragraph (4)(b) of this certification from an employee or otherwise receiving actual notice of such conviction;
6. Taking one of the following actions, within 30 days of receiving notice under paragraph (4)(b) of this certification, with respect to any employee who is so convicted:
    a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, State, or local health, law enforcement, or other appropriate agency; and
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1 through 6 above.

D. Certification Regarding Lobbying

The Applicant certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the Applicant, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of

any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Form SF-LLL, ‘‘Disclosure Form to Report Lobbying,’’ in accordance with its instructions.

3. The Applicant shall require that the language of this certification be included in the award documents for 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. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by title 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Project/Program Name:

Signature of Authorized Senior Official

Date

Name:

Title:

Agency: The Gulf Consortium

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant: I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. 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 handicaps; (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) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statue(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statue(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.

14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).

18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Gulf Consortium - chair
APPLICANT ORGANIZATION	DATE SUBMITTED
The Gulf Consortium	

SF-424D (Rev. 7-97) Back

AGENDA ITEM 9

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 9
Financial Report

Statement of Issue:

Presentation of the most recent monthly financial statements. The report also includes a snapshot of Grant applications for SEP Implementation.

Background:

Financial Statements are produced monthly for the Consortium. Additionally, attachments include a snapshot of the amounts allocated to the Adaptive Planning Grant and the amounts pertaining to Grant Applications for SEP projects.

Attachments:

a) Balance Sheet as of May 31, 2022
b) Income Statement through May 31, 2022
c) Grant Status Summary
d) Submitted Grants Graph

Action Required:

1) Recommend approval Financial Reports for Full Board Approval
2) Other Committee direction

Staff Recommendation:

Approve as proposed.

Prepared by:

Richard Bernier
The Balmoral Group
On: June 7, 2022

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

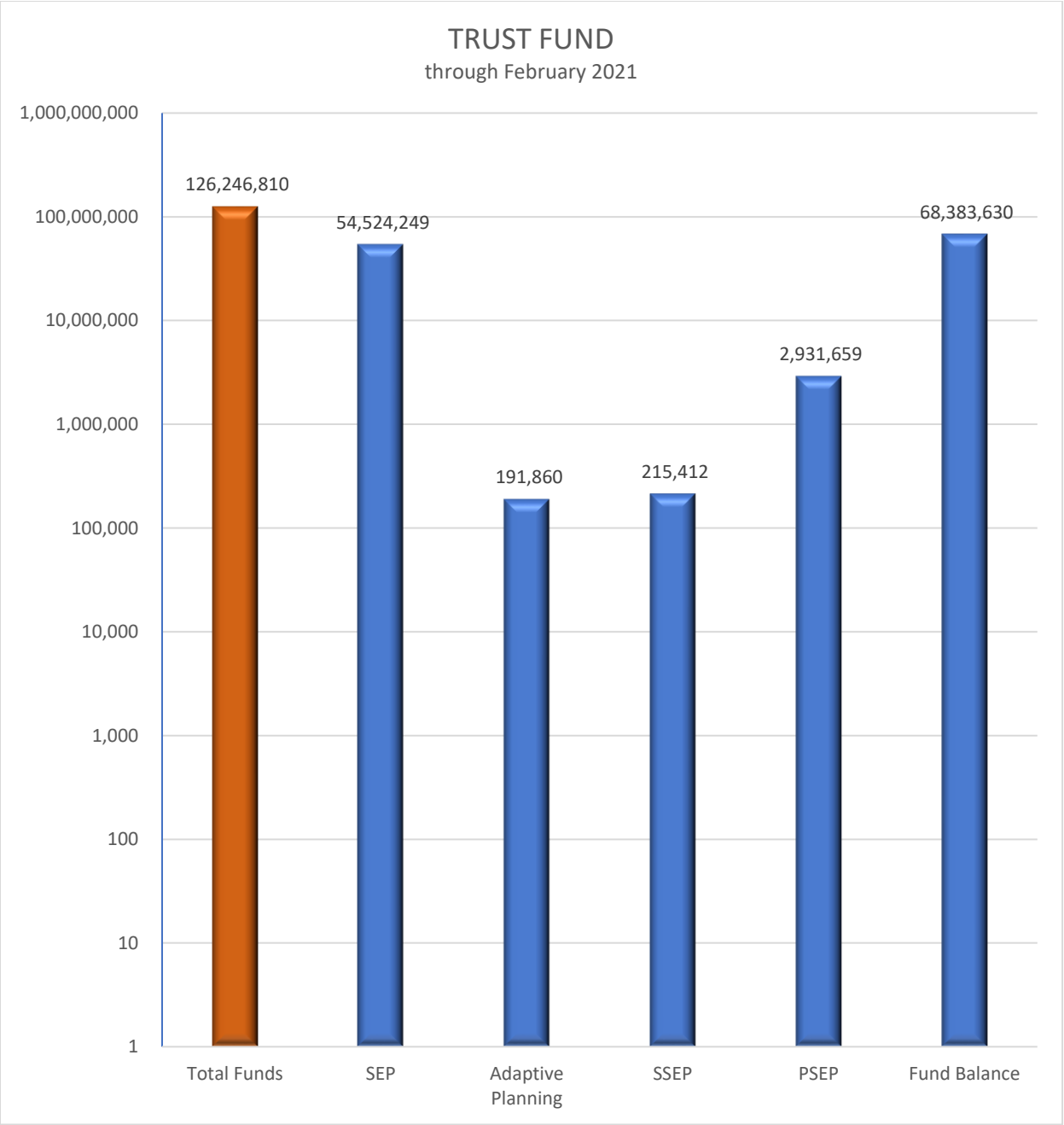
Approved____; Approved as amended_____; Defeated_____.

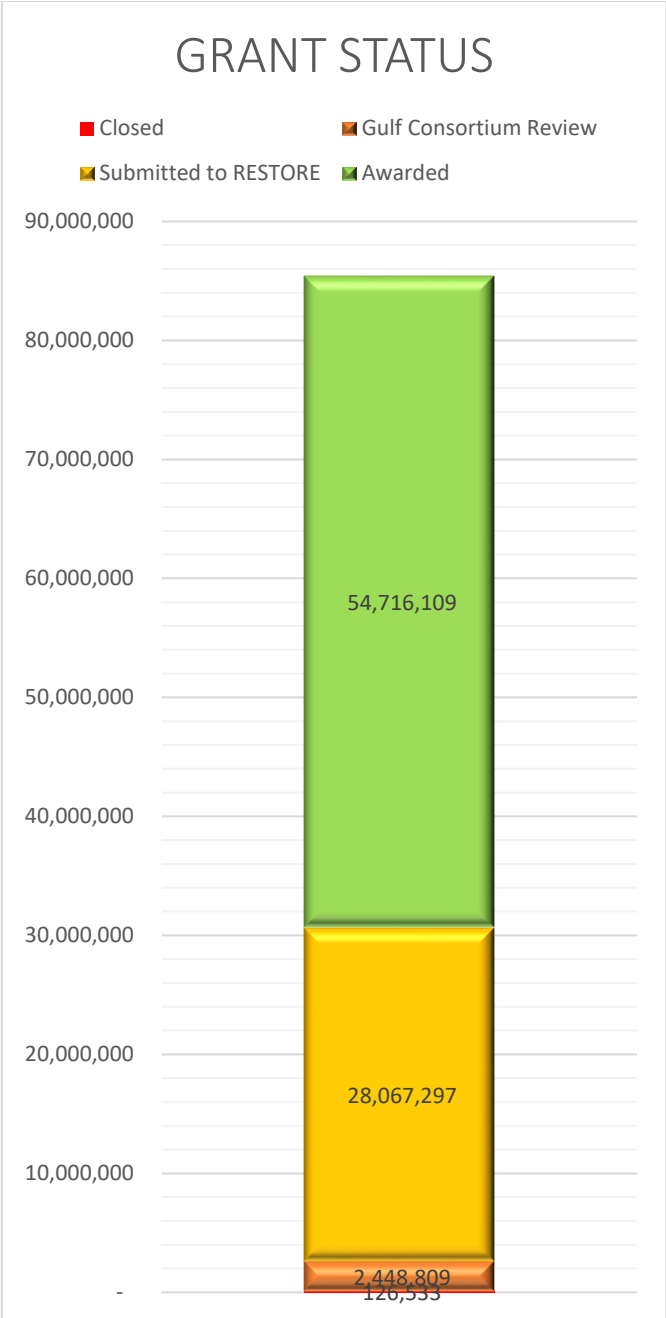
Gulf Consortium
Balance Sheet
As of May 31, 2022

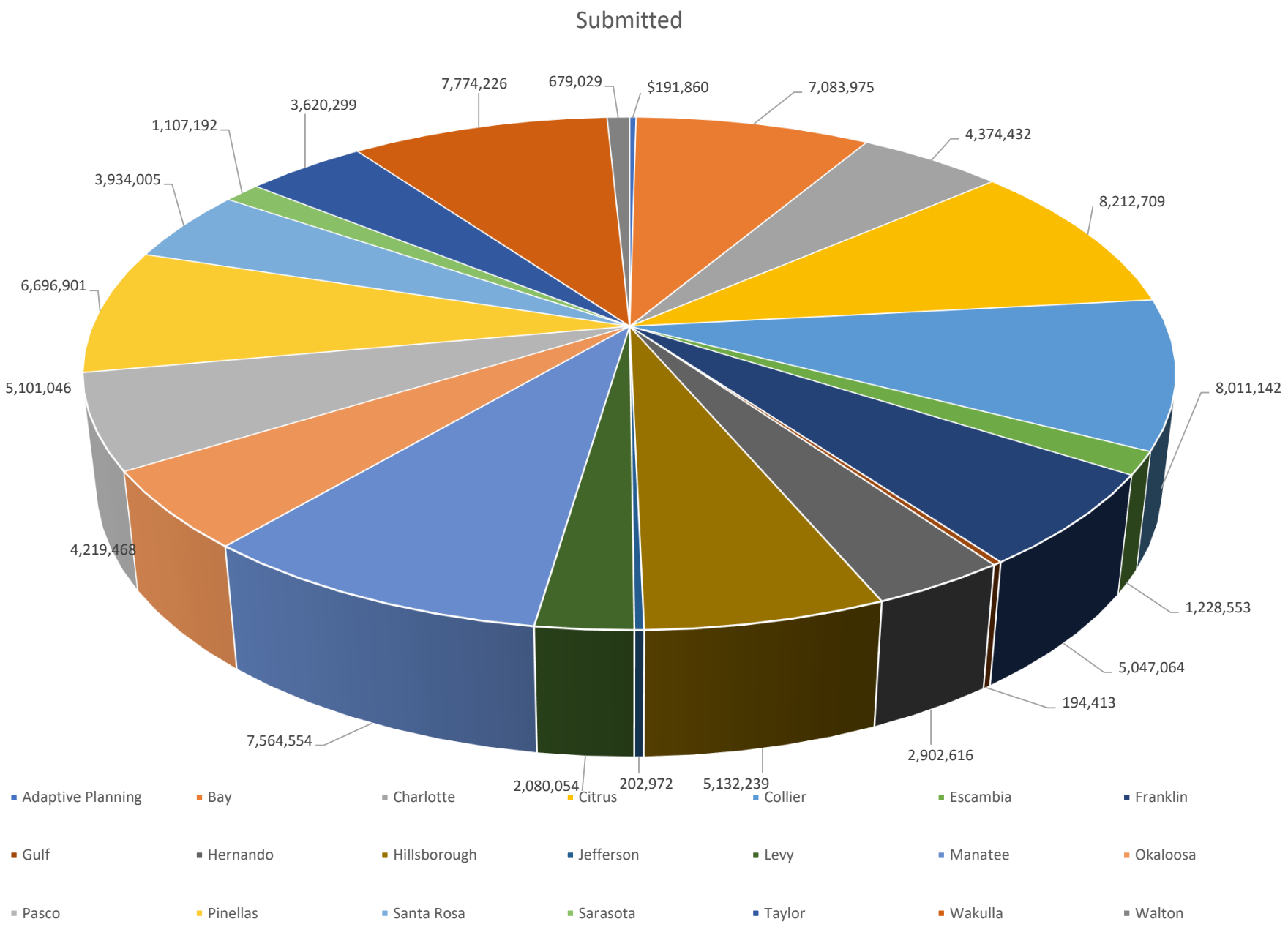
	May 31, 2022
ASSETS	
Current Assets	
Checking/Savings	
Cash	
Grant Account (Wells Fargo)	547.65
Operating Account (Seaside)	88,435.59
Total Cash	88,983.24
Total Checking/Savings	88,983.24
Accounts Receivable	
Accounts Receivable	
Adaptive Planning	71,961.86
Grants Receivable (SEP)	40,477,553.00
Accounts Receivable (General)	7,334.00
Total Accounts Receivable	40,556,848.86
Total Accounts Receivable	40,556,848.86
Other Current Assets	
Other Current Assets	
Other Receivables	16,980.94
Prepaid Expenses	16,183.93
Total Other Current Assets	33,164.87
Total Other Current Assets	33,164.87
Total Current Assets	40,678,996.97
TOTAL ASSETS	**40,678,996.97**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Payables	
Accounts Payable (Grants)	17,679.55
Accounts Payable (General)	6,498.54
Total Payables	24,178.09
Total Accounts Payable	24,178.09
Other Current Liabilities	
Accrued Liabilities	
Accrued Liabilities (Grants)	40,549,504.86
Total Accrued Liabilities	40,549,504.86
Total Other Current Liabilities	40,549,504.86
Total Current Liabilities	40,573,682.95
Total Liabilities	40,573,682.95
Equity	
Funds Transfers	(59,372.93)
Unrestricted Net Assets	74,535.45
Net Income	90,151.50
Total Equity	105,314.02
TOTAL LIABILITIES & EQUITY	**40,678,996.97**

Gulf Consortium
Profit & Loss
October 2021 through May 2022

	Adaptive Planning	General Fund	SEP Grants	TOTAL
Income				
Adaptive Planning Grant	73,852.20	-	-	73,852.20
Direct Contributions	-	124,122.00	-	124,122.00
Grant Funds - SEP	-	-	8,854,984.70	8,854,984.70
Total Income	73,852.20	124,122.00	8,854,984.70	9,052,958.90
Expense				
6200 · Adaptive Planning	73,852.20	-	-	73,852.20
8000 · SEP Grants	-	-	8,854,984.70	8,854,984.70
5000 · General Consortium Expenses				
5090 · Other Expense	-	85.86	-	85.86
5060 · Bank Fees	-	526.70	-	526.70
5030 · Meeting Expense	-	1,532.94	-	1,532.94
5040 · Management Fees	-	28,437.50	-	28,437.50
5050 · Legal Fees	-	3,387.50	-	3,387.50
Total 5000 · General Consortium Expenses	-	33,970.50	-	33,970.50
Total Expense	73,852.20	33,970.50	8,854,984.70	8,962,807.40
Net Income	**-**	**90,151.50**	**-**	**90,151.50**


TRUST FUND
through February 2021
1,000,000,000
100,000,000
10,000,000
1,000,000
100,000
10,000
1,000
100
10
1
126,246,810
54,524,249
191,860
215,412
2,931,659
68,383,630
Total Funds
SEP
Adaptive Planning
SSEP
PSEP
Fund Balance


GRANT STATUS
Closed
Gulf Consortium Review
Submitted to RESTORE
Awarded
90,000,000
80,000,000
70,000,000
60,000,000
50,000,000
40,000,000
30,000,000
20,000,000
10,000,000
-
54,716,109
28,067,297
2,448,809
126,533


Submitted
7,774,226
679,029
$191,860
7,083,975
3,620,299
1,107,192
4,374,432
3,934,005
8,212,709
6,696,901
5,101,046
8,011,142
4,219,468
1,228,553
5,047,064
194,413
7,564,554
2,902,616
2,080,054
202,972
5,132,239
Adaptive Planning
Bay
Charlotte
Citrus
Collier
Escambia
Franklin
Gulf
Hernando
Hillsborough
Jefferson
Levy
Manatee
Okaloosa
Pasco
Pinellas
Santa Rosa
Sarasota
Taylor
Wakulla
Walton

AGENDA ITEM 10

Gulf Consortium Board
Meeting June 30, 2022

Agenda Item 10
General Counsel's Report

Statement of Issue:
There are no updates from General Counsel

Action Required:
None, informational only

Prepared By:
Amanda Jorjorian
General Manager
The Balmoral Group
June 15, 2022

AGENDA ITEM 11

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 11
Manager's Report

Statement of Issue:
Consortium staff provides a report on updates to Consortium activities since the last Board meeting.

Discussion:
RESTORE Council Updates: Financial and Performance Reporting: Staff submitted 13 Performance Reports during the period and 13 Financial Reports. Currently we have 48 grants in various stages of activity with $30 million under RESTORE review, $12 million under second round review, $40 million in active awards, and $4 million closed or withdrawn.

The mid-year check-ins and financial reviews have started. We reported in January that this was a recommendation from RESTORE Council, and made RESTORE Coordinators aware of the schedule. These check-ins include verbal updates from the Coordinators, but can include more intensive, "show us your screen" reviews for the Finance Departments handling disbursements and other transactions as part of the Grant activity.

RESTORE Council posted a Request for Public Comment on its proposed six-month Waiver of Build America, Buy America Act (BABAA) provisions relative to SEP projects, and in consultation with The Balmoral Group, the Notice was further distributed to all RESTORE Coordinators directly, as well as Board and Committee members. The Notice was also posted to the Gulf Consortium website, with comments requested by June 24, 2022.

RESTORE Council has indicated that programmatic approaches to projects which meet common Council objectives may be considered as overarching grant applications. This would potentially streamline the process and reduce processing burden for RESTORE Council. No final parameters for the process have been established, but staff will continue to discuss with RESTORE Council.

RESTORE Council will be organizing in-person training for all award recipients, which would include the Gulf Consortium (but not the Gulf Consortium's subrecipients). This training is tentatively scheduled for early October in New Orleans, and we will need to include it in the new fiscal year budget.

SEP Amendments: The 4th Amendment to the SEP was approved by RESTORE Council in April, 2022. The Amendment adjusted, or swapped out, projects for seven counties, which can now proceed with grant applications.

OSA and Risk Assessments: Staff is updating risk rubrics for all subrecipients. The Grant applications this meeting included notation whether the county and project are considered

Low, Moderate or High Risk. Higher risk projects and/or counties will require greater monitoring and reporting requirements as part of grant conditions, which have corresponding costs both at the county and Consortium level.

Attachments:
None.

Action Required:
None; informational only.

Prepared by:
Valerie Seidel, The Balmoral Group
On: June 14, 2022

AGENDA ITEM 12

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 12
Public Comments

Statement of Issue:
The public is invited to provide comments on issues that are NOT on today's agenda.

Attachments:
None

Prepared by:
Amanda Jorjorian
The Balmoral Group
On: June 21, 2022

AGENDA ITEM 13

Gulf Consortium Board Meeting
June 30, 2022

Agenda Item 13
Board Member Comments

Statement of Issue:
Members of the Board are invited to provide comments on relevant issues.

Attachments:
None

Prepared by:
Amanda Jorjorian
The Balmoral Group
General Manager
On: June 21, 2022