FACE SHEET

Washington State Department of Commerce
Community Services and Housing Division
Housing Assistance Unit
Tenant Based Rental Assistance

1. Grantee
San Juan County
Health and Community Services
PO Box 607
Friday Harbor, WA 98250

2. Grantee Doing Business As (optional)

3. Grantee Representative
Angela Lausch, Affordable Housing Coordinator
360-370-7526
angelal@sanjuanco.com

4. Commerce Representative
Mollie Gaspar, Program Manager
360-725-2943 FAX 360-586-5880
Mollie.gaspar@commerce.wa.gov
PO Box 42525
906 Columbia
Olympia, WA 98504

5. Grant Amount
$68,773

6. Funding Source
Federal: ☒ State: ☐ Other: ☐ N/A: ☐

7. Start Date
July 1, 2010

8. End Date
June 30, 2011

9. Federal Funds (as applicable) N/A

10. Tax ID #91-6001360
11. SWV # N/A
12. UBI # N/A
13. DUNS 83025678

15. Grant Purpose: Providing funding for rental assistance and security deposits for very-low income households.

16. Budget

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<td>Security/Utility Deposit</td>
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<td><strong>TOTAL</strong></td>
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Commerce and the Grantee, as defined above, acknowledge and accept the terms of this Grant and attachments and have executed this Grant on the date below to start as of the date and year referenced above. The rights and obligations of both parties to this Grant are governed by this Grant and the following other documents incorporated by reference: Program Guidelines (as they may be revised from time to time) and the Program Application.

FOR THE GRANTEE

Signature
County Administrator
Title
Date 5-27-10

FOR COMMERCER

Dan McConnon, Assistant Director
Community Services and Housing Division
Date 6/24/10

APPROVED AS TO FORM ONLY

Alice Blado, Assistant Attorney General
Date: May 12, 2009

APPROVED AS TO FORM ONLY

Karen Vedder 5/26/10
San Juan County Prosecuting Attorney
Grant to: San Juan County

For: Providing funding for rental assistance and security deposits for very-low income households.

Start Date: July 1, 2010
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1. **GRANT MANAGEMENT**
   The Representative for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Grant.
   
The Representative for Commerce and their contact information are identified on the Face Sheet of this Grant.
   
The Representative for the Grantee and their contact information are identified on the Face Sheet of this Grant.

2. **ELIGIBLE USE OF FUNDS**
   Funding awarded under this grant may only be used for eligible activities and expenses described in the current Program Guidelines. These guidelines are incorporated by reference.
   
   Amounts received under this contract may not be used to replace other amounts made available or designated for use for the purposes of this grant.

3. **COMPENSATION**
   Commerce shall pay an amount not to exceed the amount in the budget shown on the face sheet.

4. **BILLING PROCEDURES AND PAYMENT**
   Reimbursement will be made only upon receipt and approval of the required reports submitted by the due dates listed in the Guidelines. If required reports are not submitted in a timely manner, the Commerce will delay payment until the reports are received, or recapture unclaimed funds. If the Grantee fails to file a monthly invoice and report within any two-month period, Commerce may elect to terminate the contract.

5. **REPAYMENTS**
   Conditions under which repayments of funds under this grant must be made are contained in the current Program Guidelines incorporated herein by reference.

6. **UNEXPENDED FUNDS**
   Conditions under which any unexpended grant funds must be transferred back to Commerce are contained in the current Program Guidelines incorporated herein by reference.

7. **REPORTS**
   Reporting requirements are described in the Guidelines. The Grantee is obligated to submit required reports after the close of the grant period, during the transfer of obligations to another grantee, or upon termination of the grant for any reason.

8. **EQUAL OPPORTUNITY TREATMENT FOR FAITH BASED ORGANIZATIONS**
   The Grantee agrees to comply with the applicable requirements of 28 CFR Part 38, Department of Justice; 24 CFR, Part 92, Sec. 92.257, Housing and Urban Development (HUD), Home Investment Partnerships Program; and 24 CFR, Part 576, Sec. 576.23 HUD; Emergency Shelter Grants Program.
9. **INSURANCE**

The Grantee shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the state of Washington should there be any claims, suits, actions, costs, damages or expenses arising from any loss, or negligent or intentional act or omission of the Grantee or Subgrantee, or agents of either, while performing under the terms of this Grant.

The insurance required shall be issued by an insurance company authorized to do business within the state of Washington. Except for Professional Liability or Errors and Omissions insurance, the insurance shall name the state of Washington, its agents, officers, and employees as additional insureds under the insurance policy. All policies shall be primary to any other valid and collectable insurance. The Grantee shall instruct the insurers to give Commerce thirty (30) calendar days advance notice of any insurance cancellation or modification.

The Grantee shall provide insurance coverage that shall be maintained in full force and effect during the term of this Grant, as follows:

**Commercial General Liability Insurance Policy.** Provide a Commercial General Liability Insurance Policy, including contractual liability, written on an occurrence basis, in adequate quantity to protect against legal liability arising out of Grant activity but no less than $1,000,000 per occurrence. Additionally, the Grantee is responsible for ensuring that any Subgrantees provide adequate insurance coverage for the activities arising out of subgrants.

**Automobile Liability.** In the event that performance pursuant to this Grant involves the use of vehicles, owned or operated by the Grantee or its Subgrantee, automobile liability insurance shall be required. The minimum limit for automobile liability is $1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.

**Fidelity Insurance.** Every officer, director, employee, or agent who is authorized to act on behalf of the Grantee for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks, or other instruments of payment for program costs shall be insured to provide protection against loss:

A. The amount of fidelity coverage secured pursuant to this Grant shall be $100,000 or the highest of planned reimbursement for the Grant period, whichever is lowest. Fidelity insurance secured pursuant to this paragraph shall name the Grantor as beneficiary.

B. Subgrantees that receive $10,000 or more per year in funding through this Grant shall secure fidelity insurance as noted above. Fidelity insurance secured by Subgrantees pursuant to this paragraph shall name the Grantee as beneficiary.

C. The Grantee shall provide, at Commerce's request, copies of insurance instruments or certifications from the Insurance issuing agency. The copies or certifications shall show the insurance coverage, the designated beneficiary, who is covered, the amounts, the period of coverage, and that Commerce will be provided thirty (30) days advance written notice of cancellation.

**Local Government Grantees that Participate in a Self-Insurance Program**

Self-Insured/Liability Pool or Self-Insured Risk Management Program – With prior approval from CTED, the Grantee may provide the coverage above under a self-insured/liability pool or self-insured risk management program. In order to obtain permission from CTED, the Grantee shall provide: (1) a description of its self-insurance program, and (2) a certificate and/or letter of coverage that outlines coverage limits and deductibles. All self-insured risk management programs or self-insured/liability pool financial reports must comply with Generally Accepted Accounting Principles (GAAP) and adhere to accounting standards promulgated by: 1) Governmental Accounting Standards Board (GASB), 2) Financial Accounting Standards Board (FASB), and 3) the Washington State Auditor's annual instructions for financial reporting. Grantees participating in joint risk pools shall maintain sufficient documentation to support the aggregate claim liability information reported on the balance sheet. The state of Washington, its...
agents, and employees need not be named as additional insured under a self-insured property/liability pool, if the pool is prohibited from naming third parties as additional insured.

Grantee shall provide annually to CTED a summary of coverages and a letter of self insurance, evidencing continued coverage under Grantee's self-insured/liability pool or self-insured risk management program. Such annual summary of coverage and letter of self insurance will be provided on the anniversary of the start date of this Agreement.

INDEMNIFICATION/HOLD HARMLESS FOR LOCAL GOVERNMENT GRANTEES ONLY

Each party to this Grant shall be responsible for its own acts and/or omissions and those of its officers, employees and agents. No party to this Grant shall be responsible for the acts and/or omissions of entities or individuals not a party to this Grant.

Subgrants shall include a comprehensive indemnification clause holding harmless the Grantee, CTED, the state of Washington, and their officers, employees, and authorized agents.

10. DOCUMENTS ON FILE

Documents consistent with federal and state regulations, as applicable, shall be kept on file in the office of the local agency and available for review.

11. ORDER OF PRECEDENCE

In the event of an inconsistency in this Grant, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Special Terms and Conditions
- General Terms and Conditions
- Program Guidelines, as revised
- Contractor's Application and Budget, as revised
- Any other provision, term, or material incorporated herein by reference or otherwise incorporated.
1. **DEFINITIONS**

   As used throughout this Grant, the following terms shall have the meaning set forth below:

   A. "Authorized Representative" shall mean the Director and/or the designee authorized in writing to act on the Director's behalf.

   B. "Cognizant State Agency" shall mean the state agency from which the sub-recipient receives federal financial assistance. If funds are received from more than one state agency, the cognizant state agency shall be the agency that contributes the largest portion of federal financial assistance to the sub-recipient.

   C. "Commerce" shall mean the Department of Commerce, or its successor agency.

   D. "Grantee" shall mean the entity identified on the face sheet performing service(s) under this Grant, and shall include all employees and agents of the Grantee.

   E. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.

   F. "State" shall mean the state of Washington.

   G. "Subgrantee" shall mean one not an employee of the Grantee, who is performing all or part of those services under this Grant under a separate Grant with the Grantee. The terms "subgrantee" and "subgrantees" means subgrantee(s) in any tier.

   H. "Subrecipient" shall mean a non-federal entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. It also excludes vendors that receive federal funds in exchange for goods and/or services in the course of normal trade or commerce.

   I. "Vendor" is an entity that agrees to provide the amount and kind of services requested by the Department; provides services under the grant only to those beneficiaries individually determined to be eligible by the Department and, provides services on a fee-for-service or per-unit basis with contractual penalties if the entity fails to meet program performance standards.

2. **ALL WRITINGS CONTAINED HEREIN**

   This Grant contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Grant shall be deemed to exist or to bind any of the parties hereto.

3. **AMENDMENTS**

   This Grant may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

4. **AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the “ADA’ 28 CFR Part 35**

   The Grantee must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

5. **APPROVAL**
CTED-WIDE GENERAL TERMS AND CONDITIONS
GENERAL GRANT
FEDERAL FUNDS

This Grant shall be subject to the written approval of Commerce's Authorized Representative and shall not be binding until so approved. The Grant may be altered, amended, or waived only by a written amendment executed by both parties.

6. ASSIGNMENT
Neither this Grant, nor any claim arising under this Grant, shall be transferred or assigned by the Grantee without prior written consent of Commerce.

7. ATTORNEYS' FEES
Unless expressly permitted under another provision of the Grant, in the event of litigation or other action brought to enforce Grant terms, each party agrees to bear its own attorneys fees and costs.

8. AUDIT
A. General Requirements
Grantees are to procure audit services based on the following guidelines.

The Grantee shall maintain its records and accounts so as to facilitate the audit requirement and shall ensure that Subgrantees also maintain auditable records.

The Grantee is responsible for any audit exceptions incurred by its own organization or that of its Subgrantees.

Commerce reserves the right to recover from the Grantee all disallowed costs resulting from the audit.

As applicable, Grantee's required to have an audit must ensure the audits are performed in accordance with Generally Accepted Auditing Standards (GAAS); Government Auditing Standards (the Revised Yellow Book) developed by the Comptroller General.

Responses to any unresolved management findings and disallowed or questioned costs shall be included with the audit report. The Grantee must respond to Commerce requests for information or corrective action concerning audit issues within thirty (30) days of the date of request.

B. Federal Funds Requirements - OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations
Grantees expending $500,000 or more in a fiscal year in federal funds from all sources, direct and indirect, are required to have an audit conducted in accordance with Office of Management and Budget (OMB) Revised Circular A-133 “Audits of States, Local Governments, and Non-Profit Organizations.” Revised OMB A-133 requires the Grantees to provide the auditor with a schedule of Federal Expenditure for the fiscal year(s) being audited. The Schedule of State Financial Assistance must be included. Both schedules include:

- Grantor agency name
- Federal agency
- Federal program name
- Other identifying contract numbers
- Catalog of Federal Domestic Assistance (CFDA) number
- Grantor contract number
- Total award amount including amendments (total grant award)
- Beginning balance
- Current year revenues
- Current year expenditures
- Ending balance
Program total

If the Grantee is a state or local government entity, the Office of the State Auditor shall conduct the audit. Audits of non-profit organizations are to be conducted by a certified public accountant selected by the Grantee in accordance with OMB Circular A-110 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations."

The Grantee shall include the above audit requirements in any subgrants.

In any case, the Grantee’s financial records must be available for review by Commerce.

C. Documentation Requirements

The Grantee must send a copy of any required audit Reporting Package as described in OMB Circular A-133, Part C, Section 320(c) no later than nine (9) months after the end of the Grantee’s fiscal year(s) to:

Department of Community Trade and Economic Development
ATTN: Audit Review and Resolution Office
906 Columbia Street SW, Fifth Floor
PO Box 48300
Olympia WA 98504-8300

In addition to sending a copy of the audit, when applicable, the Grantee must include:

- Corrective action plan for audit findings within three (3) months of the audit being received by Commerce.
- Copy of the Management Letter.

9. CERTIFICATION REGARDING DEBARMENT, SUSPENSION OR INELIGIBILITY AND VOLUNTARY EXCLUSION—PRIMARY AND LOWER TIER COVERED TRANSACTIONS

1. Grantee, defined as the primary participant and its principals, certifies by signing these General Terms and Conditions that to the best of its knowledge and belief that they:

   a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.

   b. Have not within a three-year period preceding this Grant, 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 or private agreement or transaction, violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;

   c. 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 (1)(b) of this section; and

   d. Have not within a three-year period preceding the signing of this Grant had one or more public transactions (Federal, state, or local) terminated for cause of default.

2. Where the Grantee is unable to certify to any of the statements in this Grant, the Grantee shall attach an explanation to this Grant.

3. The Grantee agrees by signing this Grant that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or
vulnerably excluded from participation in this covered transaction, unless authorized by
Commerce.

4. The Grantee further agrees by signing this Grant that it will include the clause titled
"Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-
Lower Tier Covered Transaction," as follows, without modification, in all lower tier
covered transactions and in all solicitations for lower tier covered transactions:

**LOWER TIER COVERED TRANSACTIONS**

a) The lower tier Grantee certifies, by signing this Grant that neither it nor its principals
is presently debarred, suspended, proposed for debarment, declared ineligible, or
voluntarily excluded from participation in this transaction by any Federal department
or agency.

b) Where the lower tier Grantee is unable to certify to any of the statements in this
Grant, such Grantee shall attach an explanation to this Grant.

5. The terms **covered transaction, debarred, suspended, ineligible, lower tier covered
transaction, person, primary covered transaction, principal, and voluntarily
excluded**, as used in this section, have the meanings set out in the Definitions and
Coverage sections of the rules implementing Executive Order 12549. You may contact
the Commerce for assistance in obtaining a copy of these regulations.

10. **CONFIDENTIALITY/SAFEGUARDING OF INFORMATION**

A. "Confidential Information" as used in this section includes:

1. All material provided to the Grantee by Commerce that is designated as
   "confidential" by Commerce;

2. All material produced by the Grantee that is designated as "confidential" by
   Commerce; and

3. All personal information in the possession of the Grantee that may not be disclosed
   under state or federal law. "Personal information" includes but is not limited to
   information related to a person's name, health, finances, education, business, use of
government services, addresses, telephone numbers, social security number, driver's
license number and other identifying numbers, and "Protected Health Information"
under the federal Health Insurance Portability and Accountability Act of 1996
(HIPAA).

B. The Grantee shall comply with all state and federal laws related to the use, sharing,
transfer, sale, or disclosure of Confidential Information. The Grantee shall use
Confidential Information solely for the purposes of this Grant and shall not use, share,
transfer, sell or disclose any Confidential Information to any third party except with the
prior written consent of Commerce or as may be required by law. The Grantee shall take
all necessary steps to assure that Confidential Information is safeguarded to prevent
unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or
violation of any state or federal laws related thereto. Upon request, the Grantee shall
provide Commerce with its policies and procedures on confidentiality. Commerce may
require changes to such policies and procedures as they apply to this Grant whenever
Commerce reasonably determines that changes are necessary to prevent unauthorized
disclosures. The Grantee shall make the changes within the time period specified by
Commerce. Upon request, the Grantee shall immediately return to Commerce any
Confidential Information that Commerce reasonably determines has not been adequately
protected by the Grantee against unauthorized disclosure.
C. Unauthorized Use or Disclosure. The Grantee shall notify Commerce within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

11. CONFORMANCE

If any provision of this Grant violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

12. COPYRIGHT PROVISIONS

Unless otherwise provided, all Materials produced under this Grant shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by Commerce. Commerce shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Grantee hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to Commerce effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Grant, but that incorporate pre-existing materials not produced under the Grant, the Grantee hereby grants to Commerce a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Grantee warrants and represents that the Grantee has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to Commerce.

The Grantee shall exert all reasonable effort to advise Commerce, at the time of delivery of Materials furnished under this Grant, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Grant. The Grantee shall provide Commerce with prompt written notice of each notice or claim of infringement received by the Grantee with respect to any Materials delivered under this Grant. Commerce shall have the right to modify or remove any restrictive markings placed upon the Materials by the Grantee.

13. DISALLOWED COSTS

The Grantee is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its Subgrantees.

14. DISPUTES

Except as otherwise provided in this Grant, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing with Commerce's Director, who may designate a neutral person to decide the dispute.

The request for a dispute hearing must:

- be in writing;
- state the disputed issues;
- state the relative positions of the parties;
- state the Grantee's name, address, and Grant number; and
15. DUPLICATE PAYMENT
The Grantee certifies that work to be performed under this Grant does not duplicate any work to be charged against any other Grant, subgrant, or other source.

16. ETHICS/CONFLICTS OF INTEREST
In performing under this Grant, the Grantee shall assure compliance with the Ethics in Public Service Act (Chapter 42.52 RCW) and any other applicable state or federal law related to ethics or conflicts of interest.

17. GOVERNING LAW AND VENUE
This Grant shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

18. INDEMNIFICATION
To the fullest extent permitted by law, the Grantee shall indemnify, defend, and hold harmless the state of Washington, CTED, all other agencies of the state and all officers, agents and employees of the state, from and against all claims or damages for injuries to persons or property or death arising out of or incident to the Grantee’s performance or failure to perform the Grant. The Grantee’s obligation to indemnify, defend, and hold harmless includes any claim by the Grantee’s agents, employees, representatives, or any Subgrantee or its agents, employees, or representatives.

The Grantee’s obligation to indemnify, defend, and hold harmless shall not be eliminated by any actual or alleged concurrent negligence of the state or its agents, agencies, employees and officers.

Subgrants shall include a comprehensive indemnification clause holding harmless the Grantee, CTED, the state of Washington, its officers, employees and authorized agents.

The Grantee waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees."

19. INDEPENDENT CAPACITY OF THE GRANTEE
The parties intend that an independent contractor relationship will be created by this Grant. The Grantee and its employees or agents performing under this Grant are not employees or
agents of the state of Washington or Commerce. The Grantee will not hold itself out as or
claim to be an officer or employee of Commerce or of the state of Washington by reason
hereof, nor will the Grantee make any claim of right, privilege or benefit which would accrue
to such officer or employee under law. Conduct and control of the work will be solely with the
Grantee.

20. INDUSTRIAL INSURANCE COVERAGE

The Grantee shall comply with all applicable provisions of Title 51 RCW, Industrial Insurance.
If the Grantee fails to provide industrial insurance coverage or fails to pay premiums or
penalties on behalf of its employees as may be required by law, Commerce may collect from
the Grantee the full amount payable to the Industrial Insurance Accident Fund. Commerce
may deduct the amount owed by the Grantee to the accident fund from the amount payable
to the Grantee by Commerce under this Grant, and transmit the deducted amount to the
Department of Labor and Industries, (L&I) Division of Insurance Services. This provision
does not waive any of L&I's rights to collect from the Grantee.

21. LAWS

The Grantee shall comply with all applicable laws, ordinances, codes, regulations, and
policies of local, state, and federal governments, as now or hereafter amended, including, but
not limited to:

United States Laws, Regulations and Circulars (Federal)

A. Audits

Office of Management and Budget (OMB) Revised Circular A-133 "Audits of States, Local
Governments, and Non-Profit Organizations."

B. Labor and Safety Standards

Convict Labor, 18 U.S.C. 751, 752, 4081, 4082.
Drug-Free Workplace Act of 1988, 41 USC 701 et seq.
Work Hours and Safety Act of 1962, 40 U.S.C. 327-330 and Department of Labor

C. Laws against Discrimination

Nondiscrimination in Federally Assisted Programs.
Americans with Disabilities Act of 1990, Public Law 101-336

Equal Employment Opportunity, Executive Order 11246, as amended by Executive Order
11375 and supplemented in U.S. Department of Labor Regulations, 41 CFR Chapter 60.

Executive Order 11246, as amended by EO 11375, 11478, 12086 and 12102.
Handicapped Employees of Government Contractors, Rehabilitation Act of 1973, Section
Handicapped Recipients of Federal Financial Assistance, Rehabilitation Act of 1973,
Section 504, 29 U.S.C. 794.

Nondiscrimination and Equal Opportunity, 24 CFR 5.105(a).
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Nondiscrimination in employment, Title VII of the Civil Rights Act of 1964, Public Law 88-352.


Section 3, Housing and Urban Development Act of 1968, 12 USC 1701u (See 24 CFR 570.607(b)).

D. Office of Management and Budget Circulars

Cost Principles for State, Local and Indian Tribal Governments, OMB Circular A-87, 2 CFR, Part 225.

Cost Principles for Nonprofit Organizations, OMB Circular A-122, (if the Grantee is a nonprofit organization).

Grants and Cooperative Agreements with State and Local Governments, OMB Circular A-102, (if the Grantee is a local government or federally recognized Indian tribal government).

Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations, OMB Circular A-110.

E. Other


Internal Revenue Service Rules, August 31, 1990.


Non-Supplanting Federal Funds.

Section 8 Housing Assistance Payments Program.

F. Privacy


Washington State Laws and Regulations

A. Affirmative action, RCW 41.06.020 (11).

B. Boards of directors or officers of non-profit corporations – Liability - Limitations, RCW 4.24.264.

C. Disclosure-campaign finances-lobbying, Chapter 42.17 RCW.
D. Discrimination-human rights commission, Chapter 49.60 RCW.
E. Ethics in public service, Chapter 42.52 RCW.
F. Office of minority and women's business enterprises, Chapter 39.19 RCW and Chapter 326-02 WAC.
G. Open public meetings act, Chapter 42.30 RCW.
H. Public records act, Chapter 42.56 RCW.
I. State budgeting, accounting, and reporting system, Chapter 43.88 RCW.

22. LICENSING, ACCREDITATION AND REGISTRATION
   The Grantee shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Grant.

23. LIMITATION OF AUTHORITY
   Only the Authorized Representative or Authorized Representative's designee by writing (designation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Grant.

24. LOCAL PUBLIC TRANSPORTATION COORDINATION
   Where applicable, Grantee shall participate in local public transportation forums and implement strategies designed to ensure access to services.

25. NONCOMPLIANCE WITH NONDISCRIMINATION LAWS
   During the performance of this Grant, the Grantee shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Grantee's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this Grant may be rescinded, canceled or terminated in whole or in part, and the Grantee may be declared ineligible for further Grants with the state. The Grantee shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

26. POLITICAL ACTIVITIES
   Political activity of Grantee employees and officers are limited by the State Campaign Finances and Lobbying provisions of Chapter 42.17 RCW and the Federal Hatch Act, 5 USC 1501 - 1508.
   No funds may be used under this Grant for working for or against ballot measures or for or against the candidacy of any person for public office.

27. PROCUREMENT STANDARDS FOR FEDERALLY FUNDED PROGRAMS
   A Grantee which is a local government or Indian Tribal government must establish procurement policies and procedures in accordance with OMB Circulars A-102, Uniform Administrative Requirements for Grants in Aid for State and Local Governments, for all purchases funded by this Grant.
   A Grantee which is a nonprofit organization shall establish procurement policies in accordance with OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Nonprofit Agencies, for all purchases funded by this Grant.
   The Grantee's procurement system should include at least the following:
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1. A code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in the awarding of Grants using federal funds.

2. Procedures that ensure all procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition.

3. Minimum procedural requirements, as follows:
   a. Follow a procedure to assure the avoidance of purchasing unnecessary or duplicative items.
   b. Solicitations shall be based upon a clear and accurate description of the technical requirements of the procured items.
   c. Positive efforts shall be made to use small and minority-owned businesses.
   d. The type of procuring instrument (fixed price, cost reimbursement) shall be determined by the Grantee, but must be appropriate for the particular procurement and for promoting the best interest of the program involved.
   e. Subgrants shall be made only with reasonable Subgrantees who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement.
   f. Some form of price or cost analysis should be performed in connection with every procurement action.
   g. Procurement records and files for purchases shall include all of the following:
      1) Grantees selection or rejection.
      2) The basis for the cost or price.
      3) Justification for lack of competitive bids if offers are not obtained.
   h. A system for Grant administration to ensure Grantee conformance with terms, conditions and specifications of this Grant, and to ensure adequate and timely follow-up of all purchases.

4. Grantee and Subgrantees must receive prior approval from Commerce for using funds from this Grant to enter into a sole source Grant or a Grant where only one bid or proposal is received when value of this Grant is expected to exceed $5,000.

Prior approval requests shall include a copy of proposed Grants and any related procurement documents and justification for non-competitive procurement, if applicable.

28. PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION

The funds provided under this Grant shall not be used in payment of any bonus or commission for the purpose of obtaining approval of the application for such funds or any other approval or concurrence under this Grant provided, however, that reasonable fees or bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

29. PUBLICITY

The Grantee agrees not to publish or use any advertising or publicity materials in which the state of Washington or Commerce's name is mentioned, or language used from which the connection with the state of Washington's or Commerce's name may reasonably be inferred or implied, without the prior written consent of Commerce.
30. **RECAPTURE**

In the event that the Grantee fails to perform this Grant in accordance with state laws, federal laws, and/or the provisions of this Grant, Commerce reserves the right to recapture funds in an amount to compensate Commerce for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Grantee of funds under this recapture provision shall occur within the time period specified by Commerce. In the alternative, Commerce may recapture such funds from payments due under this Grant.

31. **RECORDS MAINTENANCE**

The Grantee shall maintain all books, records, documents, data and other evidence relating to this Grant and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Grant. Grantee shall retain such records for a period of six years following the date of final payment.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been finally resolved.

32. **REGISTRATION WITH DEPARTMENT OF REVENUE**

If required by law, the Grantee shall complete registration with the Washington State Department of Revenue.

33. **RIGHT OF INSPECTION**

At no additional cost all records relating to the Grantee's performance under this Grant shall be subject at all reasonable times to inspection, review, and audit by Commerce, the Office of the State Auditor, and federal and state officials so authorized by law, in order to monitor and evaluate performance, compliance, and quality assurance under this Grant. The Grantee shall provide access to its facilities for this purpose.

34. **SAVINGS**

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Grant and prior to normal completion, Commerce may terminate the Grant under the "Termination for Convenience" clause, without the ten business day notice requirement. In lieu of termination, the Grant may be amended to reflect the new funding limitations and conditions.

35. **SEVERABILITY**

If any provision of this Grant or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Grant that can be given effect without the invalid provision, if such remainder conforms to the requirements of law and the fundamental purpose of this Grant and to this end the provisions of this Grant are declared to be severable.

36. **SUBGRANTING**

The Grantee may only subgrant work contemplated under this Grant if it obtains the prior written approval of Commerce.

If Commerce approves subgranting, the Grantee shall maintain written procedures related to subgranting, as well as copies of all subgrants and records related to subgrants. For cause, Commerce in writing may: (a) require the Grantee to amend its subgranting procedures as
they relate to this Grant; (b) prohibit the Grantee from subgranting with a particular person or
entity; or (c) require the Grantee to rescind or amend a subgrant.

Every subgrant shall bind the Subgrantee to follow all applicable terms of this Grant. The
Grantee is responsible to Commerce if the Subgrantee fails to comply with any applicable
term or condition of this Grant. The Grantee shall appropriately monitor the activities of the
Subgrantee to assure fiscal conditions of this Grant. In no event shall the existence of a
subgrant operate to release or reduce the liability of the Grantee to Commerce for any breach
in the performance of the Grantee’s duties.

Every subgrant shall include a term that Commerce and the State of Washington are not
liable for claims or damages arising from a Subgrantee’s performance of the subgrant.

37. SURVIVAL

The terms, conditions, and warranties contained in this Grant that by their sense and context
are intended to survive the completion of the performance, cancellation or termination of this
Grant shall so survive.

38. TAXES

All payments accrued on account of payroll taxes, unemployment contributions, the Grantee’s
income or gross receipts, any other taxes, insurance or expenses for the Grantee or its staff
shall be the sole responsibility of the Grantee.

39. TERMINATION FOR CAUSE / SUSPENSION

In event Commerce determines that the Grantee failed to comply with any term or condition
of this Grant, Commerce may terminate the Grant in whole or in part upon written notice to
the Grantee. Such termination shall be deemed “for cause.” Termination shall take effect on
the date specified in the notice.

In the alternative, Commerce upon written notice may allow the Grantee a specific period of
time in which to correct the non-compliance. During the corrective-action time period,
Commerce may suspend further payment to the Grantee in whole or in part, or may restrict
the Grantee’s right to perform duties under this Grant. Failure by the Grantee to take timely
corrective action shall allow Commerce to terminate the Grant upon written notice to the
Grantee.

“Termination for Cause” shall be deemed a “Termination for Convenience” when Commerce
determines that the Grantee did not fail to comply with the terms of the Grant or when
Commerce determines the failure was not caused by the Grantee’s actions or negligence.

If the Grant is terminated for cause, the Grantee shall be liable for damages as authorized by
law, including, but not limited to, any cost difference between the original Grant and the
replacement Grant, as well as all costs associated with entering into the replacement Grant
(i.e., competitive bidding, mailing, advertising, and staff time).

40. TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Grant Commerce may, by ten (10) business days written
notice, beginning on the second day after the mailing, terminate this Grant, in whole or in
part. If this Grant is so terminated, the Grantor shall be liable only for payment required
under the terms of this Grant for services rendered or goods delivered prior to the effective
date of termination.
41. TERMINATION PROCEDURES

After receipt of a notice of termination, except as otherwise directed by Commerce, the Grantee shall:

A. Stop work under the Grant on the date, and to the extent specified, in the notice;

B. Place no further orders or subgrants for materials, services, or facilities related to the Grant;

C. Assign to Commerce all of the rights, title, and interest of the Grantee under the orders and subgrants so terminated, in which case Commerce has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subgrants. Any attempt by the Grantee to settle such claims must have the prior written approval of Commerce; and

D. Preserve and transfer any materials, Grant deliverables and/or Commerce property in the Grantee’s possession as directed by Commerce.

Upon termination of the Grant, Commerce shall pay the Grantee for any service provided by the Grantee under the Grant prior to the date of termination. Commerce may withhold any amount due as Commerce reasonably determines is necessary to protect Commerce against potential loss or liability resulting from the termination. The State shall pay any withheld amount to the Grantee if Commerce later determines that loss or liability will not occur.

The rights and remedies of Commerce under this section are in addition to any other rights and remedies provided under this Grant or otherwise provided under law.

42. WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Grant unless stated to be such in writing and signed by Authorized Representative of Commerce.