

These are SAMPLE Sub-Grant Agreement Articles. Actual Articles may vary slightly to meet grant requirements for a specific federal grant year.

## Sub-Grant Articles of Agreement

**Administrative Data:** Parties to the agreement, sub-grant number to reflect the federal grant award number, Catalog of Federal Domestic Assistance (CFDA) and Data Universal Numbering System (DUNS) numbers (Required).

**Project Description and Scope of Work** achievable under the sub-grant within the 18-month performance period, and agreements for the same. Additional scope of work information may be further detailed by addendum. In essence, the project description indicates what is to be done, why, by whom, when, and for what purpose.

**Article I:** Performance Period reiterates the approved performance period for execution or expenditure of grant funds, as well as caveats associated with both the performance period and the associated closeout period

**Article II:** Authorities and References, cites authorities, state and federal guidance, cost principles, regulations and codes. It articulates for the subgrantee the legal, management and administrative requirements assumed in accepting the subgrant.

**Article III:** Grant Management System cites information associated with expenditure of federal funds, including guidance from the Executive Office of the President, Office of Management and Budget (OMB) Circulars A-87 and A-133, concerning cash management. It specifies requirements of the subgrant cash management system and addresses use of an automated, grants management system, which translates to [www.iowagrants.gov](http://www.iowagrants.gov).

**Article IV:** Grant Award and Amendments, reinforces that the scope of work will align with the funding opportunity, the original investment, the applicant's original projected, and details project work and spending plans associated with the same. Concurrently it provides guidance that will enable the subgrantee to apply for amendment to the agreement, e.g. variation from the original scope of work or performance period.

**Article V:** Procurement, articulates 44 CFR 13.36 as overarching guidance for procurement of goods and services. This article acknowledges existing state and local procurement procedures in effective upon award of the subgrant. An applicant/subgrant intending to apply existing procurement procedures, must provide HSEMD a written copy and post to [www.iowagrants.gov](http://www.iowagrants.gov) as part of its application an electronic copy of procurement procedures. If no such procedures are provided, State and Federal procurement procedures shall apply and associate payments will reflect the same.

**Article VI:** Audit, specifies explicitly that the sub-grantee must comply with requirements of the Single Audit Act and Amendments of 1996 (unless otherwise modified or specified) and OMB Circular A-133 (Compliance Supplement 2010).

**Article VII:** Payment Request Process. HSEMD provides contractual payments on the basis of reimbursement of expenses in accordance with Iowa Code 8A.514. Advances of payments, due to extenuating circumstance or demonstrated financial hardship on the applicant are otherwise negotiable under CFR and federal grant guidance. Under no circumstances shall funds be advanced longer than 120 days prior to expenditure and proof of payment to HSEMD required within 30 days of expenditure. An overage or excess funds from advance are due quarterly as part of the sub grantee's scheduled performance report. Details are also provided in Section 5.04 below and 44 CFR 13.

**Article VIII:** Reporting Requirements, articulates the requirements and schedule for quarterly performance reporting. Quarterly reporting is a state and federal requirement to enable programmatic and financial monitoring of local and state progress, communication of the same to FEMA, the U.S. Department of Homeland Security and Congress. Unless otherwise specified, Reports are due on January 15, April 15, July 15, and October 15, following the end of each federal fiscal year quarter, which is October - December, January - March, April-June, and July-September HSEMD may require additional reporting information from the SUB-GRANTEE, with written notice. Following each exercise, the SUBGRANTEE shall submit an HSEEP (Homeland Security Exercise and Evaluation Program) Exercise Reporting Form (at [http://www.iowahomelandsecurity.org/AZ\\_index/F\\_J.html](http://www.iowahomelandsecurity.org/AZ_index/F_J.html)). Quarterly reports reflect programmatic and fiscal activities based on milestones and action steps in the original application and any subsequently improved work or spending plans.

**Article IX:** Equipment, addresses caveats, requirements and stipulations for the procurement, employment, management, administration, and disposition of equipment purchased with federal grant funds (See also 44 CFR 12). For purposes of the Homeland Security Grant Program, eligible equipment is listed on the Responder Knowledge Base Integrated Display Page at <https://www.rkb.us/mel.cfm>. Not all eligible equipment is allocable to all projects. Applicants must assess eligibility and specify how the purchase of any proposed equipment supports the investment and project scope of work. The categories of eligible equipment (1 - 21) follow.

**Article X:** Termination, communicates HSEMD authority to terminate agreements, for cause or convenience, with at least 30 days advance notification in writing to the subgrantee.

**Article XI:** Other Terms and Conditions, addresses waivers, amendments and modifications, extension request requirements, supplanting/non-supplanting of funds, compliance, and remedies for non-compliance (See 44 CFR 42, 43). This article also addresses acknowledgements for the release of information, contracting and

contractor status, governing law, venue, and severability – citing Polk County District Court as the adjudicating authority for legal issues. This section further addresses requirement for compliance with request for public and HSEMD information, protocols for communication between the grantee and subgrantee, and terms of the entire grant agreement.

**Article XII:** Certification is the final section or article. It states/certifies that by signing the parties to the agreement have read and understand the grant guidance and the entirety of the agreement. Original signatures are affixed.

**Addendum:** In addition to the Articles themselves, Articles of Agreement, include an addendum, or addenda, to clarify areas not sufficiently detailed by articles. Such areas for clarification include, but are not limited to, Detailed Scope of Work and *Special Terms and Conditions* – reflecting unique consideration or provisions resulting from, or inherent to, the scope of work, the grant program or the State’s federal grant award. ***Special Terms and Conditions set forth in the federal award are likewise applicable to sub-grants.***