

Subrecipient Name: The SkillSource Group, Inc.  
Subaward Title: Virginia Career Works – Northern Region (Area #11)  
Subaward Number: 4400008913  
CFDA: 17.258, 17.259, 17.278

## FEDERAL SUBAWARD AGREEMENT

This Federal Subaward Agreement (the “Agreement” or “Subaward”) is made as of July 1, 2018, by and between **FAIRFAX COUNTY** (“Fairfax County” or “the County”) and **THE SKILLSOURCE GROUP, INC.**, (“Subrecipient” or “SkillSource” or “SSG”) (collectively, the “Parties”).

### ARTICLE 1 RECITALS

- 1.1 The Workforce Innovation and Opportunity Act (WIOA) is the federal workforce development system that provides employment, training, and education programs in the United States. WIOA Title I Funds are allocated for the purpose of improving job and career options for our nation’s workers and jobseekers through an integrated, job-driven public workforce system that links diverse talent to businesses. The three key pillars of this system are: (a) One-Stop career centers that provide first-rate customer service to jobseekers, workers, and businesses; (b) The demands of businesses and workers drive workforce solutions; (c) The workforce system supports strong regional economies where businesses thrive and people want to live and work.
- 1.2 Through WIOA, Title I funds are made available to the Commonwealth of Virginia. These funds are then allocated by the Virginia Community College System (hereinafter referred to as the “VCCS”) to various local workforce development boards.
- 1.3 Fairfax County, the City of Fairfax, the City of Falls Church, Loudoun County, Prince William County, the City of Manassas, and the City of Manassas Park comprise the Virginia Career Works - Northern Region (VCW-NR) formerly referred to as Northern Virginia Workforce Investment Board (NVWDB). As required, the Chief Local Elected Officials (CLEO) for each jurisdiction have executed a Consortium Agreement.
- 1.4 The Consortium Agreement for the Period of July 1, 2018 – June 30, 2020 appoints Fairfax County as the WIOA grant recipient and SkillSource as the WIOA grant subrecipient. The Consortium Agreement also appoints SkillSource as the fiscal agent of the VCW-NR. SkillSource’s obligations as fiscal agent are set forth in a separate agreement.
- 1.5 The WIOA Cluster refers to all three WIOA programs: WIOA Adult Program, WIOA Youth Activities, and WIOA Dislocated Worker Formula Grants.
- 1.6 WIOA Funds have been allocated to the Governor of Virginia for Adult Employment and Training Activities, Dislocated Worker Employment and Training Activities, and Youth Workforce Investment Activities. These funds have been awarded to Fairfax County and received, or will be received, by SkillSource on behalf of the County.
- 1.7 As subrecipient of WIOA grant funds, SkillSource will oversee the administration and delivery of employment and training services to Adult and Dislocated Workers to prepare adults for participation in or return to the labor force. SkillSource will also oversee the administration and delivery of employment and training services to youth to ensure that a series of comprehensive youth services are available to serve eligible youth seeking assistance in achieving academic and employment success.

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- 1.8 This subaward is limited to program year 2018 funds as set out in the NOO. Future program years will be subject to a new federal subaward agreement between the parties.

**NOW, THEREFORE**, in consideration of the mutual covenants of the Parties, and for other good and valuable consideration, the receipt and legal sufficiency of which the Parties acknowledge, the Parties agree as follows:

## ARTICLE 2 FEDERAL AWARD IDENTIFICATION

- 2.1 In accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.331(a), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the following notification is to designate the use of federal funds in this Subaward:

Subrecipient Name	The SkillSource Group, Inc.
Subrecipient DUNS Number	00-363-1436
Federal Award Identification Number (FAIN)	AA-32183-18-55-A-51
Federal Award Date	<b>Youth:</b> June 22, 2018 <b>Adult:</b> July 31, 2018 <b>Dislocated Worker:</b> July 31, 2018
Subaward Period of Performance	July 1, 2018 through June 30, 2020
Amount of Federal Awards Obligated by this action	<b>Youth:</b> \$978,007 <b>Adult:</b> \$937,589 <b>Dislocated Worker:</b> \$1,197,307
Total Amount of Federal awards obligated to date, including current obligation	<b>Youth:</b> \$978,007 <b>Adult:</b> \$937,589 <b>Dislocated Worker:</b> \$1,197,307
Total Amount of Federal Awards Committed	<b>Youth:</b> \$978,007 <b>Adult:</b> \$937,589 <b>Dislocated Worker:</b> \$1,197,307
Federal Award Project Description	The Notice of Obligation transmits the Program Year 2018 allotments for the WIOA Title I Adult and Dislocated Worker programs, and the WIOA Title I Youth program to Local Workforce Development Board 11.
Name of Federal Awarding Agency	U. S. Department of Labor, Employment and Training Administration



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Name of Pass-Through Entity	Fairfax County from the Virginia Community College System
Fairfax County Awarding Official	Cathy A. Muse Director/County Purchasing Agent Department of Procurement and Material Management 703-324-3206
CFDA # and Program Title	<b>Youth:</b> 17.259, WIOA Youth Activities <b>Adult:</b> 17.258, WIOA Adult Program <b>Dislocated Worker:</b> 17.278, WIOA Dislocated Worker Formula Grants
Award for Research & Development	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Indirect Cost Rate for Federal Award	<input checked="" type="checkbox"/> Federally approved indirect cost rate <input type="checkbox"/> 10% <input type="checkbox"/> None <input type="checkbox"/> Other: (Specify %) _____

### ARTICLE 3 SCOPE OF DUTIES

The Subrecipient will ensure the provision of employment and training services to include the following:

#### 3.1 Program Oversight

- A. Plan, coordinate, and develop policies and procedures for the oversight and administration of WIOA funded Adult, Dislocated Worker and Youth programs.
- B. Collaborate with DFS fiscal staff to construct a grant program year budget based on the funding levels included in the WIOA Notice of Obligation received from VCCS. SSG staff and DFS fiscal staff will work together to determine the appropriate funding for three broad budget categories (Direct Program Costs, SSG Administration and Indirect Costs, and SSG Direct Program Costs). Budget categories within the WIOA cluster will be based on the following parameters:
  1. State mandate that a minimum of 40 percent of WIOA Adult and Dislocated Worker funds be used for job seeker training services;
  2. Federal mandate that a minimum of 75 percent of non-administrative expenditures support Out-of-School Youth program activities;
  3. Allowable WIOA administrative charges limited to 10 percent of allocation;
  4. Allocation of SSG direct Personnel and Operating Expenses;
  5. Allocation of SSG indirect charges;

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6. Allocation of Personnel and Operating Expenses associated with the operation of the One-Stop Operator Contract; and
  7. Other requirements (as applicable).
- C. Coordinate revisions to the grant program year budget categories with DFS fiscal staff prior to the implementation of the changes.
- D. The Subrecipient must obtain prior written approval from the County for any proposed modifications to the agreed upon program budget categories.
- E. The Subrecipient must obtain prior written approval from the County for any proposed funding transfers between CFDA 17.258, WIOA Adult Program and CFDA 17.278, WIOA Dislocated Worker Formula Grants.
1. The transfer of funding between the WIOA Adult Program and the WIOA Dislocated Worker Formula Grants does not result in the actual transfer of funds from the original funding stream. It authorizes the WIOA Adult Program activities to be funded by WIOA Dislocated Worker Formula Grants.
- F. Conduct and prepare for State and Local Center Certification oversight and Monitoring.
- G. Administer WIOA Eligible Training Provider application processes, including site reviews and the VCW-NR approval process, annually.
- H. Implement all public outreach initiatives for jobseekers and employers, including website updates, brochure development and VCW-NR Annual Report.

### 3.2 Financial Certification

- A. The Subrecipient must include certification in the expenditure request to VCCS which is signed by an official who is authorized to legally bind the Subrecipient, and reads as follows:

*"By signing this report, the Executive Director certifies to the best of his 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. The Executive Director is aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject him to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."*

### 3.3 Time and Effort Reporting

- A. The Subrecipient is responsible for maintaining Time and Effort Reports (with time sheets and tracking sheets that clearly identify employee and supervisor signatures). Time and Effort Reports must be available to the County upon request.



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### 3.4 Procure Contracts & Agreements

- A. Oversee the process for WIOA grants including competitive requirements, which encompass but not limited to the One-Stop Operator and Youth Program services.
- B. Any and all procurements conducted by the Subrecipient must be in accordance with Procurement Standards established by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. § 200, *et seq.*).
- C. The Sub recipient must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may 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 employ any of the parties indicated herein, 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 Subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, Subrecipient may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Subrecipient.
- D. Prior to entering into a contract or agreement with the operation of the One-Stop Operator and Youth Program services, SSG must, in accordance with 2 C.F.R. § 200 determine if the relationship created by the contract or agreement is a subrecipient relationship or a contractor relationship. The completed subrecipient/contractor determination must be submitted and approved by the County before SSG executes the contract or agreement.

### 3.5 Performance Monitoring

- A. Monitor the implementation of all grants and contracts. Fulfill the requirement on local areas to conduct program and financial monitoring at least once annually.
- B. Ensure independent financial and compliance audits of all employment and training programs conducted by under the WIOA grants.
- C. Oversee WIOA program compliance and contract accountability of WIOA Operators and monitor and report to VCCS on attainment of local performance accountability measures.
- D. Oversee compliance related to the existence and accuracy of performance reports and report cards as required by VCW-NR.
- E. Take prompt and appropriate corrective action upon becoming aware of any evidence of a violation of Federal or State WIOA rules or policies.

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- F. Provide technical assistance to subrecipients regarding both fiscal and non-fiscal issues, if applicable.

### 3.6 Administrative Support

- A. Provide administrative support for any other activities as required by the Federal awarding agency or the Commonwealth of Virginia, which may include hiring, organizing and training the staff needed to carry out their responsibilities.
- B. Meet with and provide requested documentation to VCCS monitors conducting the annual WIOA Compliance Review.
- C. Provide documentation to the County substantiating the SSG federally approved indirect cost rate.
- D. SSG will participate in monthly meetings with DFS fiscal staff to review both One-Stop Operator commitments and obligations as well as SSG monthly use of grant funds.
- E. SSG will participate in meetings with the VCW-NR as appropriate to review reports (as outlined in ARTICLE 10: REPORTING REQUIREMENTS) and/or address CLEO questions or concerns.
- F. Upon compliance monitoring by the state SSG must:
  - 1. Include the County's fiscal and program management staff in any compliance monitoring activities.
  - 2. Coordinate and obtain agreement with the County on responses for any findings related to compliance monitoring by the state.

### 3.7 Provision of Services

#### A. Adult and Dislocated Worker Employment and Training Activities

- 1. Adult Employment and Training Activities: In accordance with the approved Local Plan and Section 134(b) of the WIOA, the Subrecipient will ensure the provision of local employment and training activities to prepare adults for participation in the labor force.
- 2. Dislocated Worker Employment and Training Activities: In accordance with the approved Local Plan and Section 134(b) of the WIOA, the VCW-NR will ensure the provision of local employment and training activities to prepare dislocated workers to return to the labor force.
- 3. One-Stop Delivery System: The Subrecipient shall, in accordance with Section 121 of the WIOA:
  - i. Develop and enter into the memorandum of understanding described in Section 121(c) with one-stop partners;
  - ii. Designate or certify one-stop operators under Section 121 (d); and
  - iii. Conduct oversight with respect to the one-stop delivery system in the Local



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Workforce Development Area (LWDA).

- iv. Adult and Dislocated Worker funds shall be used by the LWDA to contribute to the costs of the LWDA's one-stop delivery system as described in Sections 121 (h) and 134(c) of the WIOA.

- B. Youth Employment and Training Activities: In accordance with the Local Plan and Section 129 parts (a) and (c) of the WIOA, the Subrecipient will ensure that a series of comprehensive youth services are available to serve eligible youth seeking assistance in achieving academic and employment success.

#### **ARTICLE 4 COUNTY RESPONSIBILITIES**

The County will be responsible for the provision of the following:

- 4.1 Participate in monthly meetings with SSG to review both One-Stop Operator commitments and obligations as well as SSG monthly use of grant funds.
- 4.2 Provide guidance and assistance in the operation of the grant in conformance with federal and state requirements.
- 4.3 Collaborate with SSG staff to construct a grant program year budget based on the funding levels included in the WIOA Notice of Obligation received from VCCS. SSG staff and DFS fiscal staff will work together to determine the appropriate funding for three broad budget categories (Direct Program Costs, SSG Administration and Indirect Costs, and SSG Direct Program Costs). Budget Categories within the WIOA cluster based on the following parameters:
  - A. State mandate that a minimum of 40 percent of WIOA Adult and Dislocated Worker funds be used for job seeker training services;
  - B. Federal mandate that a minimum of 75 percent of non-administrative expenditures support Out-of-School Youth program activities;
  - C. Allowable WIOA administrative charges limited to 10 percent of allocation;
  - D. Allocation of SSG direct Personnel and Operating Expenses;
  - E. Allocation of SSG indirect charges;
  - F. Allocation of Personnel and Operating Expenses associated with the operation of the One-Stop Operator Contract; and
  - G. Other requirements (as applicable).
- 4.4 Coordinate revisions to the grant program year budget with SSG staff prior to the implementation of the changes.

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- 4.5 Review the SSG reimbursement request made to VCCS.
- A. The County reserves the right to require adjustments to future VCCS drawdowns based on identification of non-allowable expenses and reconciliation of prior drawdowns.
- 4.6 Review any subrecipient or contractor determinations made by SSG, as required by Section 3.4(D).
- 4.7 Funding for Adult, Dislocated Worker, and Youth employment and training activities shall be made in accordance with the Local Plan as developed and defined by the VCW-NR in partnership with the (Consortium of) Chief Local Elected Officials and submitted to the Governor of Virginia. The Local Plan has been reviewed and approved in accordance with applicable provisions of the WIOA.

## **ARTICLE 5 TERM**

- 5.1 Period of Agreement. This Federal Subaward agreement is effective July 1, 2018 through June 30, 2020. This agreement cannot be extended and/or renewed due to funding received for other program years. Automatic renewals of this agreement are prohibited.

## **ARTICLE 6 USE OF FUNDS**

- 6.1 The maximum amount of Federal funds available to the Subrecipient for program year 2018 for the WIOA cluster is \$3,112,903. This amount is for the state award period of July 1, 2018 through June 30, 2020 and is limited to program year 2018.
- A. Administrative costs are limited to 10 percent of the program year funds allocated and 80 percent of the program year funds must be obligated by June 30, 2019.
- B. The table below details the program year funding levels included in the WIOA Notice of Obligation received from VCCS issued on July 31, 2018 and effective July 1, 2018.

<b>CFDA</b>	<b>Program</b>	<b>Prior Funding Level*</b>	<b>Change</b>	<b>New Funding Level</b>
17.258	WIOA Adult Program	\$148,468	\$789,121	\$937,589
17.259	WIOA Youth Activities	\$978,007	\$0	\$978,007
17.278	WIOA Dislocated Worker Formula Grants	\$208,561	\$988,746	\$1,197,307
<b>Total All Programs</b>		<b>\$1,335,036</b>	<b>\$1,777,867</b>	<b>\$3,112,903</b>

\* The first WIOA Notice of Obligation received from VCCS for the allocation for WIOA Youth Activities totaling \$978,007 was issued on June 22, 2018 and effective April 1, 2018 for implementation on July 1, 2018. The second WIOA Notice of Obligation received from VCCS for the partial allocation for WIOA Adult Program and WIOA Dislocated Worker Formula Grants was issued on July 31, 2018 and effective July 1, 2018.



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- 6.2 The Subrecipient is not authorized to exceed these program year funding amounts unless this Federal Subaward agreement has been amended and fully executed.
- 6.3 The Subrecipient must obtain prior written approval from the County for any proposed modifications to the agreed upon program year budget categories.
- 6.4 The Subrecipient must obtain prior written approval from the County for any proposed program year funding transfers between CFDA 17.258, WIOA Adult Program and CFDA 17.278, WIOA Dislocated Worker Formula Grants.
  - A. The transfer of funding between the WIOA Adult Program and the WIOA Dislocated Worker Formula Grants does not result in the actual transfer of funds from the original funding stream. It authorizes the WIOA Adult Program activities to be funded by WIOA Dislocated Worker Formula Grants.
- 6.5 As the Subrecipient staff are not bonafide County employees, the Subrecipient is solely responsible for all payroll withholdings and deductions.

#### **ARTICLE 7 LOWER TIER FEDERAL SUBAWARDS**

- 7.1 Subrecipient may not issue any lower tier Federal Subawards under this Subaward without the express prior written consent of the County.
- 7.2 In the event that such consent is granted, all assurances, certifications, and terms included in this Subaward must be included in any lower tier Subaward. In no case does issuance of a lower tier Subaward relieve the Subrecipient from its obligations or change the terms of this Subaward.
- 7.3 The Subrecipient must submit to the County's project/grant manager a Monitoring Report for any Lower Tier Subrecipients by the 15th day following the end of the quarter the Subrecipient provided the service. The Monitoring Report must detail the types of monitoring activities occurring, date/duration of the monitoring activity and any required corrective measures.

#### **ARTICLE 8 SPECIAL CONDITIONS**

- 8.1 The Subrecipient must adhere to the requirements as detailed in Attachment A: Special Conditions.

#### **ARTICLE 9 AUTHORITY**

- 9.1 The obligation of the County to pay compensation due the Subrecipient under this Agreement, or any other payment obligations under any Subawards awarded pursuant to this Agreement is subject to appropriations by the County's Board of Supervisors to satisfy payment of such obligations.

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- 9.2 If such an appropriation is not made for any fiscal year, by either the Federal awarding agency, the Commonwealth of Virginia, or the County, the Subaward will terminate effective at the end of the fiscal year for which funds were appropriated and the County will not be obligated to make any payments under the Subaward beyond the amount appropriated for payment obligations under the Subaward.
- 9.3 The County will provide the Subrecipient with written notice of non-appropriation of funds within thirty (30) calendar days after action is completed by the Board of Supervisors, the County receives notice from the Federal awarding agency the nonappropriation, or the County receives notice from the Commonwealth of the nonappropriation. The County's failure to provide such notice will not extend the Subaward into a fiscal year in which sufficient funds have not been appropriated.

## **ARTICLE 10 REPORTING REQUIREMENTS**

- 10.1 SkillSource will prepare and provide, as requested, the following to the VCW-NR and the County:
- A. Reports and other documents that summarize the current financial conditions by program year for each WIOA grant awarded to LWDA 11, including income, expenditures, fund balances, comparison to approved budgets and other financial metrics the County or CLEOs may identify in conjunction with the execution of their responsibilities under this Agreement.
  - B. Reports and documents that summarize known compliance issues or concerns along with an explanation of any out-of-compliance notices received for any program for which the CLEOs retain ultimate responsibility.
- 10.2 SkillSource will prepare and provide the following to the County:
- A. Monthly cumulative SSG General Ledger Report for the grant program year awards, accompanied by an SSG reconciliation to the cumulative VCCS WIOA Monthly Income/Expenditure Detail Report (MEDR) report.
  - B. Monthly listing of transactions billed to each grant program year for the following:  
  
SSG direct Personnel and Operating Expenses, including a payroll listing of direct staff expenses for the month; and SSG indirect and WIOA administrative charges, including details on the methodology for the spread.
- 10.3 Audited Financial Statements: The Subrecipient will submit the following to the County within 30 days after receipt of the auditor's report or nine months after the end of the audit period, whichever comes first:
- A. Annual Audited Financial Statements and related footnotes and supplemental schedules, to include your Balance Sheet/Statement of Financial Position, Income Statement/Statement of Activities, Statement of Cash Flows, and Independent Auditor's Report/Opinion Letter; unless required to submit the single audit report(s) package on-line to the Federal Audit Clearinghouse;



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- B. Independent Auditor's issuance of any Management Letter Comments (MLC), or a statement that no MLC letter was issued;
  - C. Corrective Action Plans for all audit findings and status of all prior year audit findings;
  - D. Management's Discussion and Analysis (MD&A), if applicable, or a statement that no MD&A was prepared and presented in the financial statements.
- 10.4 Within ten (10) business days of issuance, the Subrecipient must submit to the County any audits, compliance or operational reviews by any other government entities as it relates to this specific program or the Subrecipient's overall operations.
- 10.5 Within ten (10) business days of occurrence, the Subrecipient must notify the County of any financial difficulties or internal control issues that are found that could impair the continuing operability of County funded programs, as they may occur.
- 10.6 Within ten (10) business days, the Subrecipient must report to the County organizational changes to include changes in address (headquarters or program site), financial solvency and key personnel in management or personnel providing services under the subaward (vacancies/new hires).
- 10.7 Federal IRS Form-990, 1120, 1065, or other applicable Income Tax return filing as applicable, with all supporting schedules and attachments; including any M-1 adjustment information needed to reconcile Financial Statements to the Tax Returns filed in accordance with federal filing requirements.

## **ARTICLE 11 MONITORING**

- 11.1 In accordance with 2 CFR § 200.331(b), each Subrecipient's risk of noncompliance with federal statutes, regulations and the terms and conditions of the Subaward for purposes of determining the appropriate subrecipient monitoring will be determined through the completion of a Risk Assessment administered by the County.
- 11.2 The result of the Risk Assessment will determine the level of subrecipient monitoring required which may include, but not be limited to, the following:
- A. Review of financial and programmatic reports;
  - B. Review of performance and internal controls;
  - C. Analysis of required reports and invoices;
  - D. Review of subrecipient's policies and procedures;
  - E. Review of subrecipient's Governing Board documents;

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- F. Review of subrecipient's Management Letter;
  - G. On-site reviews and/or desk reviews;
  - H. Interviews with, or survey of relevant agencies/organizations and individuals having knowledge of the Subrecipient's services or operations;
  - I. Review of audit reports and results of federal agency monitoring, and
  - J. Other mechanisms deemed appropriate by the County.
- 11.3 The Subrecipient must follow-up and take appropriate corrective action on all deficiencies pertaining to the Subaward, as detected through audits, monitoring activities or through other means. Appropriate correction action must be done promptly.
- 11.4 The Subrecipient must furnish to the County, upon request, information regarding payments claimed for services under this Subaward. All accounting records must be supported by source documentation and retained in order to show for what purposes funds were spent. All such records, including financial statements, shall be made available and produced for inspection when required by the County, its authorized agents, and/or state or federal personnel.

## **ARTICLE 12 FLOW OF FUNDS**

- 12.1 As the Fiscal Agent, SSG will request reimbursement of all the WIOA Title I funds directly from VCCS. As the Subrecipient, SSG will retain its share of the funding.
- A. The County reserves the right to require adjustments to future VCCS drawdowns based on identification of non-allowable expenses and reconciliation of prior drawdowns.
- 12.2 SSG must provide DFS fiscal staff a signed copy of the monthly Cash Payment Schedule submitted to VCCS for requesting reimbursement as well as the VCCS WIOA Monthly Income/Expenditure Detail Report (MEDR) report and include the following:
- A. Cumulatives through the recent service month.
  - B. Services broken into WIOA Mandated Elements for each grant type.
  - C. Separately listed total Administrative Expenditures.
  - D. Personnel Salary and Benefit costs that can be reconciled to detailed payroll expenditures that reflect the number of hours worked.
  - E. Operating costs (non-personnel) that can be reconciled to detailed general ledger accounts.
  - F. Current drawdown amount for recent service month and remaining grant balance, that can be reconciled to balances within the County's FOCUS system.



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- 12.3 A final statement of cumulative costs incurred, including applicable cost sharing, matching, or program income, marked “FINAL” must be submitted to the County, sixty (60) calendar days after the Period of Agreement. The final statement of costs shall constitute the Subrecipient’s final financial report and must include the certification as specified in 12.1.H. If the Subrecipient is unable to meet the aforementioned deadline, the Subrecipient may submit a written request for extension from the County.

### **ARTICLE 13**

#### **POST AWARD REQUIREMENTS AND COST PRINCIPLES**

- 13.1 The Subrecipient must adhere to the cost principles established in Subpart E of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. § 200, *et seq.*) and as adopted by the U.S. Department of Labor 2 CFR § 2900 *et seq.*
- A. In accordance with 2 CFR § 200.410, payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or the County, either as direct or indirect costs, must be refunded (including interest) to the County in accordance with instructions from the County that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, 2 CFR § 200.300 Statutory and national policy requirements through 200.309 Period of performance. Paragraph 13.1(A) is not intended to preclude and does not preclude SSG from asserting any defense that may be available to it, including seeking recovery of unallowed costs in accordance with the VCW-NR Consortium Agreement for the period of July 2018 to June 2020.
  - B. In accordance with 2 CFR § 200.302(b)(7), the Subrecipient must have written procedures for determining the allowability of costs in accordance with this Subpart.
  - C. The Subrecipient shall comply with time and effort reporting as required by 2 CFR § 200.430. All employees paid in whole or in part from Subrecipient funds should prepare a timesheet indicating the actual hours worked on each specific project for each pay period.
- 13.2 The Subrecipient must adhere to the Procurement Standards established in Subpart D—Post Federal Award Requirements of this part, 2 CFR § 200.318 General Procurement Standards through 200.326 Contract Provisions.
- A. In the acquisition of supplies and/or services utilizing funds from this Subaward, the Subrecipient must use the methods of procurement established in 2 CFR § 200.320.
  - B. Contain the applicable contract provisions in Appendix II to 2 CFR Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards in all its contracts.
- 13.3 In accordance with 2 CFR § 200.303, the Subrecipient must establish and maintain effective internal control over the Subaward that provides reasonable assurance that the Subrecipient is managing the Subaward in compliance with federal statutes, regulations, and the terms and conditions of the Subaward.

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- 13.4 In accordance with 2 CFR § 113, upon discovery of illegal activities including, but not limited to, employee embezzlement, theft of program assets, bribery, gratuities, or fraud, the Subrecipient must immediately report the activity to policing authorities for investigation and, in writing, to the County.

## **ARTICLE 14 NONCOMPLIANCE AND TERMINATION**

### **14.1 REMEDIES FOR NONCOMPLIANCE:**

- A. If the Subrecipient fails to comply with Federal statutes, regulations or the terms and conditions of the Subaward, the County may impose additional conditions as set forth in 2 CFR § 200.207. If the County determines that the Subrecipient's noncompliance cannot be remedied by imposing additional conditions, the County may take one or more of the following actions, as appropriate:
1. Temporarily withhold cash payments pending correction of the deficiency.
  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 Subaward.
  4. Initiate suspension or debarment proceedings as authorized under 2 CFR part 180.
  5. Withhold further federal subawards for the project or program.
  6. Take other remedies that may be legally available.

### **14.2 TERMINATION:**

- A. The Subaward may be terminated in whole or in part as follows:
1. By the County if the Subrecipient fails to comply with the terms and conditions of the Subaward;
  2. By the County for cause;
  3. By the County upon termination of the Federal award by the Federal awarding agency.
  4. By the County with the consent of the Subrecipient, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated; or
  5. By the Subrecipient upon sending to the County written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the



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portion to be terminated. However, if the County determines in the case of partial termination that the reduced or modified portion of the Subaward will not accomplish the purposes for which the Subaward was made, the County may terminate the Subaward in its entirety.

- B. If the Subaward is terminated or partially terminated, the Subrecipient remains responsible for compliance with the requirements in 2 CFR § 200.343 (Closeout) and 2 CFR § 200.344 (Post-closeout adjustments and continuing responsibilities).

#### 14.3 NOTIFICATION OF TERMINATION:

- A. In the event of a termination by the County, the County must provide the Subrecipient a notice of termination.
- B. If the subward is terminated for the Subrecipient's failure to comply with Federal statutes, regulations, or terms and conditions of the Federal award, the notice of termination must state that the termination decision may be considered in evaluating future applications received from the Subrecipient.

#### 14.4 OPPORTUNITIES TO OBJECT, HEARINGS, AND APPEALS: The County must comply with any requirements for hearings, appeals, administrative proceedings, to which the Subrecipient is entitled under any statute or regulation applicable to the action involved.

#### 14.5 EFFECTS OF SUSPENSION AND TERMINATION: Costs to the Subrecipient resulting from obligations incurred by the Subrecipient during a suspension or after termination of a subaward are not allowable unless the County expressly authorizes them in the notice of suspension or termination or subsequently. However, costs during suspension or after termination are allowable if:

- A. The costs result from obligations which were properly incurred by the Subrecipient before the effective date of suspension or termination, are not in anticipation of it; and
- B. The costs would be allowable if the subaward was not suspended or expired normally at the end of the period of performance in which the termination takes effect.

### **ARTICLE 15 SUBAWARD CLOSE OUT & POST CLOSE OUT ADJUSTMENTS**

#### 15.1 As outlined in 2 CFR § 200.344, the closeout of the Subaward does not affect any of the following:

- A. The rights of the County to disallow costs and recover funds because of a later audit or other review. Any disallowance determinations and notifications made by the County must be made within the record retention period.
- B. The obligation of the Subrecipient to return any funds as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

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- C. Audit requirements in Subpart F—Audit Requirements.
  - D. Property management and disposition requirements in Subpart D—Post Federal Award Requirements, § 200.310 Insurance Coverage through 200.316 Property trust relationship.
  - E. Records retention as required in Subpart D—Post Federal Award Requirements, § 200.333 Retention requirements for records through 200.337 Restrictions on public access to records.
- 15.2 After closeout of the Subaward, a relationship created under the Subaward may be modified or ended in whole or in part with the consent of the County and the Subrecipient, provided the responsibilities of the Subrecipient referred to in paragraph (16.1) of this section, including those for property management as applicable, are considered and provisions made for continuing responsibilities of the Subrecipient, as appropriate.

## **ARTICLE 16**

### **RECORD RETENTION, ACCESS, AND AUDIT**

- 16.1 In accordance with 2 CFR § 200.333, the Subrecipient will adhere to the following retention requirements for records:
- A. Financial records, supporting documents, statistical records, and all other Subrecipient entity records pertinent to the Subaward must be retained for a period of three (3) years from the date of submission of the final expenditure report or three (3) years from the date of the annual financial report for federal awards renewed quarterly/annually. The only exceptions are the following:
    - 1. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken;
    - 2. When the Subrecipient is notified in writing by the County, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period;
    - 3. Records for real property and equipment acquired with Federal funds must be retained for three (3) years after final disposition;
    - 4. If records are transferred to or maintained by the County, the three (3) years retention requirement is not applicable to the Subrecipient;
    - 5. Records for program income transactions after the period of performance. In some cases, recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the Subrecipient fiscal year in which the program income is earned.



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- 16.2 The Subrecipient will provide the County, its authorized agents, and/or state or federal personnel access to the Subrecipient's records and financial statements as necessary for the County to meet the requirements of 2 CFR § 200.331(a)(5) or under the following conditions:
- A. If the Subaward is terminated for any reason in accordance with the provisions of these Subaward documents in order to arrive at equitable termination costs;
  - B. In the event of a disagreement between the Subrecipient and the County on the amount due the Subrecipient under the terms of this agreement;
  - C. To check or substantiate any amounts invoiced or paid which are required to reflect the costs of services, or the Subrecipient's efficiency or effectiveness under this Subaward;
  - D. If it becomes necessary to determine the County's rights and the Subrecipient's obligations under the Subaward or to ascertain facts relative to any claim against the Subrecipient that may result in a charge against the County;
  - E. If at any time during the course of the Subaward there are indications that the financial solvency of the Subrecipient may affect its ability to complete the terms of this agreement.

These provisions for an audit shall give the County access during normal working hours to the Subrecipient's books and records under the conditions stated above.

- 16.3 The Subrecipient further agrees to comply with the audit and reporting requirements defined by Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as applicable. A Subrecipient who expends \$750,000 or more in combined federal funding during the Subrecipient's fiscal year is required at its expense to have an independent audit performed annually in accordance with the provisions of these parts. The single audit report(s) package must be submitted on-line to the Federal Audit Clearinghouse within the earliest of 30 calendar days after receipt of the auditor's report(s) by the Subrecipient, or nine months after the end of the audit period (<https://harvester.census.gov/facweb/>).
- 16.4 The Subrecipient who expends less than \$750,000 in combined federal funding during the Subrecipient's fiscal year is required at its expense to have an independent audit of its financial statements performed annually in accordance with the provision of these parts. In accordance with 2 CFR § 200.425, federal funds are not to be used for Subrecipients exempt from the Single Audit Act or Subpart F unless included in the indirect cost pool for a cost allocation plan or indirect cost proposal. The Subrecipient will provide the annual audit report including the opinion letter, management letter, income statement, balance sheet, and notes to the financial statements, within nine months after the end of the Subrecipient's fiscal year.
- 16.5 In accordance with 2 CFR § 200.521, the County is responsible for issuing a management decision for audit findings that relate to the Subaward within six months of acceptance of the audit report by the Federal Audit Clearinghouse. The Subrecipient must initiate and proceed with corrective action as rapidly as possible and corrective action should begin no later than upon receipt of the Subrecipient's audit report.

## **ARTICLE 17 REQUIRED CERTIFICATIONS**

### **17.1 Required Certifications include:**

- A. Certification of cost allocation plan or indirect (F&A) cost rate proposal. Each cost allocation plan or indirect (F&A) cost rate proposal must comply with 2 CFR § 200.415 (b)(1)-(b)(2).
- B. Certifications by non-profit organizations as appropriate that they do not meet the definition of a major nonprofit organization as defined in 2 CFR § 200.415(c) Required Certifications.
- C. Debarment and Suspension. The Subrecipient certifies, by execution of Attachment B, that neither it nor its principals are presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211). Copies of the regulations may be obtained by contacting County staff.
- D. Byrd Anti-Lobbying Certification. Pursuant to 31 U.S.C. 1352 et seq., the Subrecipient certifies by execution of Attachment C that it adheres to the federal restrictions on lobbying using federal funds.
- E. Conflict of Interest. Pursuant to 2 CFR § 200.112, the Subrecipient must disclose in writing any conflict of interest to the County in accordance with applicable Federal awarding agency policy.
- F. Financial Solvency for Non-Profit Organizations: The subrecipient certifies, by execution of Attachment D, that the applicant's organization is financially solvent and will remain so during the subaward period of agreement.

## **ARTICLE 18 INDEMNIFICATION**

- 18.1 The Subrecipient shall indemnify, keep and save harmless the County, its agents, officials, employees and volunteers against claims of injuries, death, damage to property, theft, patent claims, suits, liabilities, judgments, cost and expenses which may otherwise accrue against the County in consequence of the granting of a Subaward or which may otherwise result there from, if it is determined that the act was caused through negligence or error, or omission of the Subrecipient or its employees, or that of the lower-tier subrecipient or its employees, if any; and the Subrecipient shall, at its own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising there from or incurred in connection therewith; and if any judgment is rendered against the County in any such action, the Subrecipient shall, at its own expense, satisfy and discharge the same. The Subrecipient expressly understands and agrees that any performance bond or insurance protection required by this Subaward, or otherwise provided by the Subrecipient, shall in no way limit its responsibility to indemnify, keep and save harmless



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and defend the County as herein provided.

## **ARTICLE 19 REPRESENTATIONS AND WARRANTIES**

- 19.1 Organization and Good Standing. The Subrecipient is a not-for-profit corporation duly formed, validly existing, and in good standing under the laws of the Commonwealth of Virginia.
- 19.2 Authorization and Binding Effect of Documents. The Subrecipient has all requisite power and authority to enter into this Agreement. The execution and delivery of this Agreement by the Subrecipient has been duly authorized by all necessary organizational action.

## **ARTICLE 20 SUBAWARD INSURANCE PROVISIONS**

- 20.1 The Subrecipient is responsible for its work and every part thereof, and for all materials, tools, equipment, appliances, and property of any and all description used in connection therewith. The Subrecipient assumes all risk of direct and indirect damage or injury to the property or persons used or employed on or in connection with the work subawarded for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the Subaward.
- 20.2 The Subrecipient shall, during the continuance of all work under the Subaward, provide the following:
- A. Maintain statutory Workers' Compensation and Employer's Liability insurance in limits of not less than \$100,000 to protect the Subrecipient from any liability or damages for any injuries (including death and disability) to any and all of its employees, including any and all liability or damage which may arise by virtue of any statute or law in force within the Commonwealth of Virginia.
  - B. The Subrecipient agrees to maintain Commercial General Liability insurance in the amount of \$1,000,000 per occurrence/aggregate, to protect the Subrecipient, its lower tier Subrecipients, and the interest of the County, its officers and employees against any and all injuries to third parties, including bodily injury and personal injury, wherever located, resulting from any action or operation under the Subaward or in connection with the subawarded work.
  - C. Subrecipient agrees to maintain Professional Liability insurance in the amount of \$1,000,000.00 per claim to cover each professional staff.
  - D. Liability Insurance "Claims Made" basis:

If the liability insurance purchased by the Subrecipient has been issued on a "claims made" basis, the Subrecipient must comply with the following additional conditions. The limit of liability and the extensions to be included as described previously in these provisions, remain the same. The Subrecipient must either:

- 1. Agree to provide certificates of insurance evidencing the above coverage for a period of two years after final payment for the Subaward. This certificate shall

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evidence a "retroactive date" no later than the beginning of the Subrecipient's work under this Subaward, or

2. Purchase the extended reporting period endorsement for the policy or policies in force during the term of this Subaward and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance or a copy of the endorsement itself.
  - E. Liability insurance may be arranged by General Liability and Automobile Liability policies for the full limits required, or by a combination of underlying Liability policies for lesser limits with the remaining limits provided by an Excess or Umbrella Liability policy.
  - F. The Subrecipient agrees to provide insurance issued by companies admitted within the Commonwealth of Virginia, with the Best's Key Rating of at least A:VI.
  - G. European markets including those based in London, and the domestic surplus lines markets that operate on a non-admitted basis are exempt from this requirement, provided that the Subrecipient's broker can provide financial data to establish that a market is equal to or exceeds the financial strengths associated with the A.M. Best's rating of A:VI or better.
  - H. The Subrecipient will provide an original, signed Certificate of Insurance citing the Subaward number and such endorsements as prescribed herein.
  - I. The Subrecipient will secure and maintain all insurance certificates of its lower tier Subrecipients and/or subcontractors, which shall be made available to the County on demand.
  - J. The Subrecipient will provide on demand certified copies of all insurance policies related to the Subaward within ten (10) business days of demand by the County. These certified copies will be sent to the County from the Subrecipient's insurance agent or representative.
- 20.3 No change, cancellation, or non-renewal shall be made in any insurance coverage without a-thirty (30) calendar day written notice to the County. The Subrecipient shall furnish a new certificate prior to any change or cancellation date. The failure of the Subrecipient to deliver a new and valid certificate will result in suspension of all payments until the new certificate is furnished.
- 20.4 Compliance by the Subrecipient and all lower tier Subrecipients or subcontractors with the foregoing requirements as to carrying insurance shall not relieve the Subrecipient and all lower tier Subrecipients or subcontractors of their liabilities provisions of the Subaward.
- 20.5 Other liability insurance provided under this Subaward shall not contain a supervision, inspection or engineering services exclusion that would preclude the County from supervising and/or inspecting the project as to the end result. The Subrecipient shall assume all on-the-job responsibilities as to the control of persons directly employed by it and of the lower tier Subrecipient or subcontractor.
- 20.6 Nothing contained in the specifications shall be construed as creating any contractual relationship between any lower tier Subrecipient or subcontractor and the County. The Subrecipient shall be as



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fully responsible to the County for the acts and omissions of the lower tier Subrecipients, subcontractors and of persons employed by them as it is for acts and omissions of person directly employed by it.

- 20.7 Precaution shall be exercised at all times for the protection of persons (including employees) and property.
- 20.8 The Subrecipient and all lower tier Subrecipients and/or subcontractors are to comply with the Occupational Safety and Health Act of 1970, Public Law 91-596, as it may apply to this Subaward.
- 20.9 The County, its officers and employees shall be named as an "additional insured" in the General Liability policies and it shall be stated on the Insurance Certificate that this coverage "is primary to all other coverage the County may possess."

## **ARTICLE 21 MISCELLANEOUS**

- 21.1 Compliance with Federal, State, and County Laws. The Subrecipient must comply with all applicable federal and state laws, and with all County ordinances and requirements.
- 21.2 Amendments. Except as otherwise provided in this Agreement, any and all amendments, additions or deletions to this Agreement are null and void unless approved by the Parties in writing.
- 21.3 Conditional Funding Notification. The Parties agree that this Subaward supercedes any terms or conditions included in the Conditional Funding Notification provided by the County to its subrecipient.
- 21.4 Non-Discrimination. During the performance of this Subaward, the Subrecipient will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Subrecipient, in accordance with Article 2, Section 4.C of the Fairfax County Purchasing Resolution, as amended.
- 21.5 Drug Free Workplace. During the performance of this Subaward, the Subrecipient agrees to provide a drug-free workplace for the Subrecipient's employees in accordance with Article 2, Section 4, B.6 of the Fairfax County Purchasing Resolution, as amended and 2 CFR Part 182.
- 21.6 Americans with Disabilities Act Requirements. The County is fully committed to the federal Americans with Disabilities Act (ADA), which guarantees non-discrimination and equal access for persons with disabilities in employment, public accommodations, transportation, and all County programs, activities and services. The County's Subrecipients, lower tier Subrecipients, subcontractors, vendors, and/or suppliers are subject to this ADA policy. All individuals having any County Subaward or contractual agreement must make the same commitment. Acceptance of this Subaward by the Subrecipient acknowledges the Subrecipient's commitment and compliance with ADA.

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- 21.7 Venue. This Subaward and its terms, including, but not limited to, the parties' obligations under it, the performance due from each party under it, and the remedies available to each party for breach of it, shall be governed by, construed and interpreted in accordance with the laws of the Commonwealth of Virginia. Any jurisdiction's choice of law, conflict of laws, rules, or provisions, including those of the Commonwealth of Virginia that would cause the application of any laws other than those of the Commonwealth of Virginia, shall not apply. Any and all disputes, claims and causes of action arising out of or in connection with this Subaward or any performance hereunder, shall be brought in the state courts of Fairfax County, Virginia, or in the United States District Court, Eastern District of Virginia, Alexandria Division.
- 21.8 Immigration Reform and Control Act. Subrecipient agrees that it does not, and shall not, during the performance of the Subaward for goods and services in the Commonwealth; knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- 21.9 Freedom of Information Act. The Freedom of Information Act (5 U.S.C. 552) (FOIA) does not apply to those records that remain under the Subrecipient's control except as required under 2 CFR § 200.315 (Intangible property). Unless required by Federal, state, or local statute, the Subrecipient is not required to permit public access to its records. The Subrecipient's records provided to a Federal agency and the County generally will be subject to FOIA and applicable exemptions.
- 21.10 Trafficking in Persons
- A. You as the subrecipient or your employees may not—
1. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
  2. Procure a commercial sex act during the period of time that the award is in effect; or
  3. Use forced labor in the performance of the award or subawards under the award.
- B. The County may unilaterally terminate this award, without penalty, if you—
1. Is determined to have violated a 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 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 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)."



C. Provisions applicable to any recipient.

1. You must inform the County immediately of any information you receive from any source alleging a violation of a prohibition Paragraph 21.10(A) of this Agreement.
2. The County's right to terminate unilaterally that is described in paragraph B of this section:
  - a. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
  - b. 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 21.10 A in any subaward you make to a private entity.

21.11 Protected Personally Identifiable Information (PII). Pursuant to 2 CFR § 200.303 (e), the Subrecipient must take reasonable measures to safeguard protected PII and other information the County designates as sensitive or the Subrecipient considers sensitive consistent with applicable federal, state, and local laws regarding privacy and obligations of confidentiality.

21.12 Payment Card Industry Data Security Standards ("PCI-DSS"). If during the course of normal business operations the Subrecipient accepts electronic payments by payment card, including but not limited to debit cards and/or credit cards branded by VISA, MasterCard, Discover and/or American Express, then the Subrecipient shall at all times be responsible for and required to:

- A. Ensure that all systems and technology adhere to the current PCI-DSS as required by the merchant service provider utilized by the Subrecipient; and
- B. Provide upon request to the County evidence of PCI-DSS adherence for the Subrecipient's current evaluation period.

If after receiving the subaward, the Subrecipient begins accepting electronic payments by payment card, the above becomes enforceable immediately without notification required by either party, nor addendum to this agreement.

21.13 One Fairfax. One Fairfax is a social and racial equity policy that was adopted by the Board of Supervisors on November 21, 2017. The policy commits both the Board of Supervisors and the Fairfax County School Board to intentionally consider equity in decision-making and in the development and delivery of future policies, programs and services. It's a declaration that all residents deserve an equitable opportunity to succeed if they work hard – regardless of their race, color, sex, nationality, sexual orientation, income or where they live. Subrecipients must adhere to this policy and provide supporting documentation upon request. The One Fairfax policy can be read in its entirety at:

<https://www.fairfaxcounty.gov/topics/sites/topics/files/assets/documents/pdf/one-fairfax-policy.pdf>.

21.14 Registration in System for Award Management (SAM). If registered in SAM, the subrecipient must maintain an active SAM registration with current information at all times. Additionally, the subrecipient must perform due diligence in renewing and updating a SAM registration timely. Failure to do this may result in termination of the subaward.

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**ARTICLE 22  
COUNTY CONTACT**


22.1 Any questions pertaining to this Subaward Agreement shall be directed to:

Douglas Kissick, Contract Analyst  
Department of Procurement & Material Management  
12000 Government Center Parkway, Suite 427  
Fairfax, Virginia 22035-0013  
Telephone Number: (703) 324-7811  
E-mail: douglas.kissick@fairfaxcounty.gov

ACCEPTED BY:

**The SkillSource Group, Inc.**

**Fairfax County Government**

Signature: 

Signature: 

Name: David A. Hunn

Name: Cathy A. Muse

Title: President and CEO

Title: Director/County Purchasing Agent

Date: 12-18-2018

Date: 12/27/18



### **Attachment A: Special Conditions**

1. The Subrecipient, under this Federal Subaward, must comply with the following regulations, as applicable. The full text of Code of Federal Regulations (CFR) references may be found at: <http://www.ecfr.gov/>.
  - a. 2 CFR Part 25, "Universal Identifier and Central Contractor Registration";
  - b. 2 CFR Part 170, "Reporting Subaward and Executive Compensation Information";
  - c. 2 CFR Part 175, "Award Term for Trafficking in Persons";
  - d. 2 CFR part 180, "OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement)";
  - e. 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"; OMB 2 CFR Part 2900 USDOL Exceptions to Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards dated December 19, 2014;
  - f. 7 CFR part 3015.175(b), "Copyrights";
  - g. Executive Order 13224, as amended, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism";
  - h. Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving";
  - i. 15 U.S.C. 205a et seq., "The Metric Conversion Act, as amended by the Omnibus Trade and Competitiveness Act";
  - j. 49 U.S.C. 40118 et seq., "Fly America Act";
  - k. 8 USC 1324a, "Immigration and Nationality Act";
  - l. 41 U.S.C. 22, "Interest of Members of Congress";
  - m. 40 U.S.C. 3141-3148, "the Davis-Bacon Act"; and,
  - n. P.L. 109-282, "Federal Financial Accountability and Transparency Act of 2006" and P.L. 113-101, "Digital Accountability and Transparency Act of 2014";
  - o. Title I of the WIOA (P.L. 113-128); 20 CFR Parts 603, 651, 652 et al. Workforce Innovation and Opportunity Act; Final Rule; Duly authorized waivers approved by the USDOL; Nothing in the WIOA (including the amendments made by this Act) shall be construed to supersede the privacy protections afforded parents and students under section 444 of the General Education Provisions Act (20 U.S.C. 1232g);
  - p. Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-332);
  - q. USDOL administrative regulations, at 41 CFR Part 29-70 (property management-private), 29 CFR Part 93-94 (lobbying restrictions and drug-free workplace), and 29 CFR Part 96-98 (audits, uniform administrative requirements and debarment and suspension);
  - r. Seat Belts: Pursuant to Executive Order (EO) 13043 (April 16, 1997), Increasing the Use of Seat Belts in the United States, recipients are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating vehicles, whether organizationally owned or rented or personally owned;
  - s. Buy American Notice Requirements. None of the funds made available under Title I of the WIOA may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with (41 U.S.C. 8301-8303);

- t. Equal Employment Opportunity Directives;
  - u. Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) that provide for fair and equitable treatment of persons displaced or whose property is acquired for project purposes of Federal or federally assisted programs, regardless of Federal participation in purchases;
  - v. Title IX of the Education Amendments of 1972 (P.L. 92-318), as amended, which prohibits discrimination on the basis of sex;
  - w. The Age Discrimination Act of 1975, as amended;
  - x. Veterans Priority Provisions: This program, funded by the U.S. Department of Labor is subject to The provisions of the “Jobs for Veterans Act” (JVA), Public Law 107-288 (38 USC 4215), as implemented by 20 CFR Part 1010. While veterans and eligible spouses receive priority of service for all DOL-funded job training programs and services to include WIOA Title I Programs, the veteran or eligible spouse must still meet each program’s eligibility criteria to receive services under the respective employment and training programs as outlined in the Virginia Board of Workforce Development Veterans’ Priority of Service Policy Number 600-01.
  - y. 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; and
  - z. The Americans with Disabilities Act of 1990 (P.L. 101-336).
  - aa. Other laws, regulations, Executive Orders, and other applicable requirements, which are hereby incorporated into this Federal award.
2. The Subrecipient must also comply with the following special conditions specific to this Federal Subaward.
- a. Discretionary Termination: After receipt of a Notice of Termination, the subrecipient shall cancel outstanding commitments covering procurement or rental of materials, supplies, equipment, and miscellaneous items. In addition, the subrecipient shall exercise all reasonable diligence to accomplish the cancellation of any outstanding commitments covering personal services that extend beyond the date of such termination to the extent that they relate to the performance of any work terminated by the notice of termination. With respect to such canceled commitments, the subrecipient agrees to:
    - i. Ensure all commitments contain a cancellation clause allowing for termination for cause and fund availability;
    - ii. Settle all outstanding liabilities and all such claims arising out of such cancellation of commitments, or ratify all such settlements; and
    - iii. Assign to the County in the matter, at the time and to the extent directed by the County, all of the rights, titles and interest of the subrecipient under the orders and contracts so terminated. The County has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and contracts.
  - b. Nonassignability. This Agreement is not assignable, in whole or part, by SSG without the prior written consent of the County; provided, however, that contractors providing intensive services for adults or dislocated workers in accordance with Section



134(d)(3)(B)(ii) of the WIOA, providers of training services in accordance with Section 134(d)(4)(G)(ii) of the WIOA, and contractors providing youth activities under Section 123 of the WIOA may be engaged by SSG to provide such services or activities to eligible WIOA participants. In the exercise of the discretion afforded by this provision, SSG shall ensure that all purchases comply with federal and state procurement laws and requirements as may be applicable.

- c. **Disallowed Costs:** In the event that repayment is required, SSG shall use prompt and efficient debt collection procedures to obtain cash repayment of disallowed costs. SSG shall not forego debt collection procedures without the express written approval of the County. Any required repayment shall not be by or from federal funds and/or state funds.
- d. **Notification of Claims.** SSG shall give the County prompt written notice of any claim, action or suit, of which it becomes aware, filed against SSG or any of its contractors concerning or affecting the performance of this Agreement or any contract made here under.
- e. **Intangible Property.** Intangible property acquired under a federal award must comply with 2 CFR Chapter II, Part 200.315 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award- Subpart D- Post Federal Award.

Requirements and 2 CFR Part 2900.13 USDOL Exceptions to Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

- f. **Intellectual Property.** The Federal government reserves a paid-up, non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for Federal purposes: 1) the copyright in all products developed under the grant, including a grant or subcontract under the grant or subgrant and 2) any rights of copyright to which the grantee, subgrantee or a contractor purchases ownership under an award (including but not limited to curricula, training models, technical assistance products, and any related materials)); Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise. The grantee may not use federal funds to pay any royalty or license fee for use of a copyrighted work, or the cost of acquiring by purchase a copyright in a work, where the Department has a license or rights of free use in such work. If revenues are generated through selling products developed with grant funds, including intellectual property, these revenues are program income. Program income is added to the grant and must be expended for allowable grant activities. If applicable, the following needs to be on all products developed in whole or in part with grant funds:

“This workforce product was funded by a grant awarded by the U.S. Department of Labor’s Employment and Training Administration. The product was created by the grantee and does not necessarily reflect the official position of the U.S. Department of

Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.”

- g. Inventions. SSG may retain the entire right, title, and interest to each invention subject to 35 U.S.C. § 203 that was created or developed under this Agreement with funds from this Agreement. With respect to any invention in which the LWDB retains title, the County and VCCS shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced the subject invention.

- h. Data Ownership. The VCCS and the USDOL shall have unlimited rights to any data first produced or delivered under this Agreement.

- i. Public Announcements

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with WIOA Title I funds, the LWDB and all its service providers receiving funds pursuant to this Agreement shall clearly identify:

- I. The percentage of the total costs of the program or project that will be financed with WIOA Title I funds,
- II. The dollar amount of WIOA Title I funds for the project or activity; and,
- III. The percentage and dollar amount of the total cost of the project or activity that will be financed by non-Federal sources.

- j. Force Majeure. Neither party shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement or other interruption of service deemed resulting, directly or indirectly, from acts of God, war, government regulation, disaster, civil unrest, fires, explosions, earthquakes, floods, or any other cause beyond its reasonable control.

- 3. Assurances and Certifications. The LWDAGR shall abide by and shall ensure that all activities conducted pursuant to this Agreement comply with the following applicable federal, state, and local laws, regulations, and directives:

- a) Section 89 of the Internal Revenue Code.
- b) WIOA and attendant regulations. The LWDAGR further certifies that it has no commitments or obligations that are inconsistent with compliance with these and any



other pertinent federal regulations and policies, and that any other agency, organization, or party which participates in the implementation of the programs funded pursuant to this Agreement shall have no such commitments or obligations.

- c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), all requirements imposed by the applicable USDOL regulations (29 CFR Part 32) and all guidelines and interpretations issued pursuant thereto.
- d) Titles VI, VII, and IX of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto. The LWDAGR shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, sex, age, or national origin unless it is a bona fide occupational qualification reasonably necessary to the normal operation of the LWDA. The LWDAGR agrees to put in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this nondiscrimination clause.
- e) Prohibitions on discrimination under Section 188 of the WIOA.
- f) Virginia Public Procurement Act, §§ 2.2-4300 *et seq.* of the Code of Virginia.
- g) Virginia Freedom of Information Act, §§ 2.2-3700 *et seq.* of the *Code of Virginia*, except as otherwise required by federal or state law, consistent with federal confidentiality requirements and with the Government Data Collection and Dissemination Practices Act, §§ 2.2-3800 *et seq.* of the *Code of Virginia*.
- h) Occupational Safety and Health Standards for General Industry (29 CFR Part 1910) inclusive of the "Virginia Preface to OSHA Standards Book for General Industry".
- i) Relevant procedures, guidelines, and directives created by the Virginia Board of Workforce Development as provided in §§ 2.2-2472 *et seq.* of the *Code of Virginia*.
- j) Virginia Child Labor Laws, §§ 40.1-78 *et seq.* of the *Code of Virginia*.
- k) Virginia Workers' Compensation Act, §§ 65.2 *et seq.* of the *Code of Virginia*.
- l) Certifications: The Nondiscrimination and Equal Opportunity Assurance (29 CFR § 37) is incorporated by reference and made part of this Agreement:

Subrecipient Name: The SkillSource Group, Inc.  
Subaward Title: Virginia Career Works – Northern Region (Area #11)  
Subaward Number: 4400008913  
CFDA: 17.258, 17.259, 17.278

### **Attachment B: Certification Regarding Debarment or Suspension**

In compliance with contracts and grants agreements applicable under the U.S. Federal Awards Program, the following certification is required by the Subrecipient entering into this Subaward.

1. The Subrecipient certifies, to the best of its knowledge and belief, that neither the Subrecipient nor its Principals are suspended, debarred, proposed for debarment, or declared ineligible for the award of Subawards from the United States federal government procurement or nonprocurement programs, or are listed in the *List of Parties Excluded from Federal Procurement and Nonprocurement Programs* issued by the General Services Administration.
2. "Principals," for the purposes of this certification, means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager, plant manager, head of a subsidiary, division, or business segment, and similar positions).
3. The Subrecipient shall provide immediate written notice to the Fairfax County Purchasing Agent if, at any time during the period of this Subaward, the Subrecipient learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. This certification is a material representation of fact upon which reliance will be placed when making the award. If it is later determined that the Subrecipient rendered an erroneous certification, in addition to other remedies available to Fairfax County government, the Fairfax County Purchasing Agent may terminate this Subaward for default.

**Printed Name of Representative:** David A. Hunn, President and CEO

**Signature/Date:**

 12-15-2018

**Company Name:** The SkillSource Group, Inc.

**Address:** 8300 Boone Boulevard, Suite 450

**City/State/Zip:** Vienna, VA 22182

**DUNS No:** 003631436



Subrecipient Name: The SkillSource Group, Inc.  
Subaward Title: Virginia Career Works – Northern Region (Area #11)  
Subaward Number: 4400008913  
CFDA: 17.258, 17.259, 17.278

### Attachment C: Byrd Anti-Lobbying Certification

31 U.S.C. 1352 et seq.

The undersigned 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 undersigned, 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 and Federal contract, grant, loan, or cooperative agreement.
2. If any funds or than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to 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 this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form—LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)
3. The undersigned 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 by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). 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.

[Note: Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.]

The SUBRECIPIENT, The SkillSource Group, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the SUBRECIPIENT understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq.*, apply to this certification and disclosure, if any.

Printed Name of Representative: David A. Hunn, President and CEO

Signature/Date:

 12-19-2018

Company Name: The SkillSource Group, Inc.  
Address: 8300 Boone Boulevard, Suite 450  
City/State/Zip: Vienna, VA 22182  
SSN or TIN No: 30-0129320


Subrecipient Name: The SkillSource Group, Inc.  
Subaward Title: Virginia Career Works – Northern Region (Area #11)  
Subaward Number: 4400008913  
CFDA: 17.258, 17.259, 17.278

**Attachment D: Certification of Financial Solvency for Non-Profit Organizations**

In compliance with Fairfax County contracting protocols, the following certification is required by all offerors submitting a proposal, and all individuals and organizations awarded a subaward:

1. The Board Chair certifies, to the best of his/her knowledge and belief, that the applicant organization is financially solvent, and will remain so during the life of any subaward awarded. The Board Chair will notify the county representative in writing of substantial solvency issues such as depletion of cash reserve accounts, use of cash reserves to meet payroll obligations, inability to meet obligations for accounts payable, evidence of deteriorating accounts receivable collection, evidence of delinquency in payment of IRS or payroll taxes, evidence of fraud or mismanagement, co-mingling of accounts, and/or use of grant funds for non-grant purposes.
2. The Executive Director certifies, to the best of his/her knowledge and belief, that the applicant organization is financially solvent, and will remain so during the life of any subaward awarded. The Executive Director will notify the county representative in writing within 10 days of substantial solvency issues as outlined in #1 above.
3. This certification is a material representation of fact upon which reliance will be placed when making the award. If it is later determined that the offeror/subrecipient rendered an erroneous certification, or if at any time during the course of the subaward there are indications that the financial solvency of the subrecipient affects its ability to complete the terms of the subaward, in addition to other remedies available to Fairfax County, the county may terminate the subaward for default.

Printed Name of Board Chair: Kim Clark-Pakstys

Signature/Date:  12-19-2018

Printed Name of Executive Director: David A. Hunn

Signature/Date:  12-19-2018

Company Name: The SkillSource Group, Inc.

Address: 8300 Boone Boulevard, Suite 450

City/State/Zip: Vienna, VA 22182

SSN or TIN: 30-0129320