



U.S Department of Transportation

**Federal Motor Carrier Safety
Administration**

Grant Agreement

1. RECIPIENT NAME AND ADDRESS RENO, CITY OF 455 E 2nd St Traffic Division Reno, NV 89502-1020		2. AGREEMENT NUMBER: 69A3602341315MHP0NV		3. AMENDMENT NO. 0	
4. PROJECT PERFORMANCE PERIOD:		FROM 09/01/2023		TO 09/30/2025	
5. FEDERAL FUNDING PERIOD:		FROM 09/01/2023		TO 09/30/2025	
1A. IRS/VENDOR NO. 886000201		6. ACTION New			
1B. UEI. TH74SE96JVC7 1C.DUNS. 076121904					
7. CFDA#: 20.237		TITLE	FEDERAL	NON-FEDERAL	TOTAL
8. PROJECT TITLE FY2023 HP-CMV Grant Program		9. PREVIOUS AGREEMENTS	0.00	0.00	0.00
		10. THIS AGREEMENT	380,176.00	0.00	380,176.00
		11. TOTAL AGREEMENT	380,176.00	0.00	380,176.00
12. INCORPORATED ATTACHMENTS THIS AGREEMENT INCLUDES THE FOLLOWING ATTACHMENTS, INCORPORATED HEREIN AND MADE A PART HEREOF: FMCSA Financial Assistance Agreement General Terms and Conditions, Recipient project narrative and indirect cost rate agreement (if applicable) are incorporated by reference unless/except as noted below.					
13. STATUTORY AUTHORITY FOR GRANT/ COOPERATIVE AGREEMENT 49 U.S.C. §§ 31102(l)(2)(3)(4), 31104 (amended by the Infrastructure Investment & Jobs Act (IIJA), P.L. No. 117-58 (2021), §§ 23001(b) & 23003), Title VIII of Div. J of IIJA, & the Consolidated Appropriations Act, 2023, P.L. 117-328					
14. REMARKS See Award Conditions					
GRANTEE ACCEPTANCE			AGENCY APPROVAL		
15. NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL			17. NAME AND TITLE OF AUTHORIZED FMCSA OFFICIAL		
16. SIGNATURE OF AUTHORIZED GRANTEE OFFICIAL		16A. DATE	18. SIGNATURE OF AUTHORIZED FMCSA OFFICIAL		18A. DATE
AGENCY USE ONLY					
19. OBJECT CLASS CODE: 41000			20. ORGANIZATION CODE: M500000000		
21. ACCOUNTING CLASSIFICATION CODES					
DOCUMENT NUMBER	FUND	BY	BPAC	AMOUNT	
FM-MHP-0772-23-01-00	17815823MH	2023	0905710MHP	380,176.00	

Federal Financial Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
09/01/2023	09/30/2023	Quarterly	10/30/2023
10/01/2023	12/31/2023	Quarterly	01/30/2024
01/01/2024	03/31/2024	Quarterly	04/30/2024
04/01/2024	06/30/2024	Quarterly	07/30/2024
07/01/2024	09/30/2024	Quarterly	10/30/2024
10/01/2024	12/31/2024	Quarterly	01/30/2025
01/01/2025	03/31/2025	Quarterly	04/30/2025
04/01/2025	06/30/2025	Quarterly	07/30/2025
07/01/2025	09/30/2025	Final	12/29/2025

Performance Progress Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
09/01/2023	09/30/2023	Quarterly	10/30/2023
10/01/2023	12/31/2023	Quarterly	01/30/2024
01/01/2024	03/31/2024	Quarterly	04/30/2024
04/01/2024	06/30/2024	Quarterly	07/30/2024
07/01/2024	09/30/2024	Quarterly	10/30/2024
10/01/2024	12/31/2024	Quarterly	01/30/2025
01/01/2025	03/31/2025	Quarterly	04/30/2025
04/01/2025	06/30/2025	Quarterly	07/30/2025
07/01/2025	09/30/2025	Final	01/28/2026

AWARD CONDITIONS

1. This Notice of Grant Award (NGA) is to award the recipient with the total award amount authorized in Block 11 to implement the FY 2023 High Priority Grant Program.

The FMCSA approves the project plan, line-item budget and budget narrative. The FY 2023 total recommended Federal amount is \$380,176.00.

If the recipient is requesting indirect costs, the recipient may not request these costs for reimbursement until it has submitted a current approved indirect cost rate agreement to the FMCSA Division Office, and the GMO mailbox below:

FMCSAWSCGMOHelpDesk@dot.gov

The recipient and any sub-recipient must also comply with the applicable FMCSA general terms and

conditions attached to this NGA. Failure to comply with the terms and conditions attached and any additional provisions directly reflected in this NGA may result in enforcement actions as outlined in 2 CFR §§ 200.338 and 200.339.

High Priority-Commercial Motor Vehicle Grant Program Technical Assistance

The Program Office and/or Division office will provide technical assistance (TBD), at the Program and/or Division's discretion. Technical Assistance will be provided regarding program objectives, best practices, milestones, monitoring, and post-award requests.

AWARD ATTACHMENTS

RENO, CITY OF

69A3602341315MHP0NV

1. Standard Terms and Conditions

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION
FINANCIAL ASSISTANCE AGREEMENT GENERAL TERMS AND CONDITIONS

Section 1. Grant Authority

a. Contract Authority.

The Federal Motor Carrier Safety Administration's (FMCSA) authorizing legislation, The Fixing America's Surface Transportation Act [FAST Act], Pub. L. No. 114-94, §5101 (2015) granted FMCSA contract authority. As codified in 49 U.S.C. §31104, the Secretary of Transportation's approval of the grant funds made available imposes a contractual obligation upon the United States for payment of the Government's share of costs in carrying out the grant objectives.

b. Lapse in Appropriations and/or Authorization.

Except in limited circumstances, the absence of FMCSA appropriations and/or authorization prevents the continuation of Federal supervision and support to the performance of a grant. In the absence of such supervision or support, the Recipient may only continue to proceed with its work if (1) the performance of such grant is not incurring obligations from the lapsed appropriations; (2) if continued grant management supervision or support is not critical to the Recipient's continued performance of the work; (3) and FMCSA has approved the continuation of such work. FMCSA will make such determinations in accordance with the Executive Office of the President, Office of Management and Budget, Memorandum "Planning for Agency Operations During a Lapse in Government Funding" (April 7, 2011), and any amendments or updated guidance thereto.

Section 2. Effective Date.

Recipient acknowledges that Federal funds are obligated on the effective date of the Grant Agreement. The effective date is the date that the Grant Agreement contains the authorized signatures of both parties to this agreement. Where the dates accompanying the signatures differ from party to party, the effective date of the Grant Agreement shall be the most recent of these dates.

Section 3. Electronic Signatures.

The Recipient understands that electronic signatures are binding. An electronic signature to the Grant Agreement commits the Recipient to these Provisions and Assurances, as well as all requirements denoted in Section 4.

Section 4. General Requirements.

a. Obligation of Recipient to Comply.

The Recipient understands that by signing the Grant Agreement, the Recipient is agreeing to carry out the approved project plan and the approved budget and to comply with all applicable Federal laws and requirements imposed by the FMCSA concerning special requirements of law, program requirements, and other administrative requirements. This includes, but is not limited to: (1) 49 U.S.C. chapters 311 and 313 (2016), as applicable and denoted in the Notice of Grant Agreement; (2) FAST Act, Pub. L. No. 114-94, §§ 5101 and 5104 (2015), as applicable and denoted in the Notice of Grant Agreement; (3) U.S. Department of Transportation (DOT) regulations; (4) the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. part 200); and (5) the Federal Grant and Cooperative Agreement Act of 1977.

For all Federal awards, compliance with statutory and national policy requirements also includes the provisions of the Federal Funding and Accountability Transparency Act (FFATA), which includes requirements on executive compensation, and also requirements implementing the Act for the non-Federal entity, codified at 2 C.F.R. part 25 and 2 C.F.R. part 170. See also statutory requirements for whistleblower protections at 10 U.S.C. §§ 2324 and 2409 and 41 U.S.C. § § 4304, 4310, and 4712.

b. Application of Federal, State, and Local Laws and Regulations.

i. Federal Laws.

The Recipient understands that Federal laws, regulations, policies, and related administrative practices applicable to this Agreement on the date the Agreement was executed may be modified from time to time. The Recipient agrees that the most recent of such Federal requirements will govern the administration of this Agreement at any particular time. Likewise, new Federal laws, regulations, policies and administrative practices may be established after the date the Agreement has been executed and may apply to this Agreement. To achieve compliance with changing Federal requirements, the Recipient agrees to include in all Subrecipient agreements and third-party contracts financed with FMCSA assistance, specific notice that Federal requirements may change and the changed requirements will apply to the Project as required. All limits or standards set forth in this Agreement to be observed in the performance of the Project are minimum requirements.

ii. State or Territorial Law and Local Law.

Except to the extent that a Federal statute or regulation preempts State or territorial law, nothing in this Agreement shall require the Recipient to observe or enforce compliance with any provision thereof, perform any other act, or do any other thing in contravention of any applicable State or territorial law;

however, if any of the provisions of this Agreement violate any applicable State or territorial law, or if compliance with the provisions of this Agreement would require the Recipient to violate any applicable State or territorial law, the Recipient agrees to notify the FMCSA immediately in writing in order that FMCSA and the Recipient may make appropriate arrangements to proceed with the Project as soon as possible.

c. Subrecipients.

State Recipients shall follow State law and procedures when awarding and administering subawards to local and Indian tribal governments including 2 C.F.R. § 200.317. All other non-federal entities, including Subrecipients of a State, will follow 2 C.F.R. § 200.318, General procurement standards, through § 200.326, Contract provision, as well as the Standards for Financial and Program Management, at §§ 200.300 through 200.309.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A Subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

d. Subawards.

Subaward means an award provided by a pass-through entity to a Subrecipient for the Subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

e. Pass-Through Entity.

Pass-through entity means a non-Federal entity that provides a subaward to a Subrecipient to carry out part of a Federal program. All Pass-Through Entities must comply fully with 2 C.F.R. §§ 200.330, 200.331, 200.332, and 200.505.

f. Prohibition Against Transferring An Award.

The Recipient is prohibited from transferring or subrogating their rights and responsibilities of the grant program and funds associated with that grant to another entity. Subrogation is when a non-federal entity substitutes another entity, not awarded the subject grant by FMCSA, to a lawful claim, demand, or right, so that that entity succeeds to the rights of the other in relation to the debt or claim, and its rights, remedies, or fund access. The act of subawarding to a Subrecipient is not considered as the subrogation of the Recipient's award.

Section 5. Internal Controls. The Recipient must:

- a.** Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
- b.** Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards;
- c.** Evaluate and monitor the non-Federal entity's compliance with statute, regulations and the terms and conditions of Federal awards;
- d.** Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; and
- e.** Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state and local laws regarding privacy and obligations of confidentiality.

Section 6. Ethics.

a. Written Code of Ethics.

The Recipient agrees to maintain a written code or standards of ethical conduct that shall govern the performance of its officers, employees, board members, or agents engaged in the award and administration of contracts supported by Federal funds. The code or standards shall provide that the Recipient's officers, employees, board members, or agents may neither solicit nor accept gratuities, favors or anything of monetary value from present or potential contractors, Subrecipients, or regulated entities. The Recipient may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. As permitted by State or local law or regulations, such code or standards shall provide for penalties, sanctions, or other disciplinary actions for violations by the Recipient's officers, employees, board members, or agents, or by contractors or Subrecipients or their agents.

b. Personal Conflict of Interest.

The Recipient's code or standards must provide that no employee, officer, board member, or agent of the Recipient may participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be

involved. Such a conflict would arise when any of the parties set forth below has a financial or other interest in the firm selected for award:

- i. The employee, officer, board member, or agent;
- ii. Any member of his or her immediate family;
- iii. His or her partner; or
- iv. An organization that employs, is considering to employ, or is about to employ, any of the above.

c. Organizational Conflicts of Interest.

The Recipient's code or standards of conduct must include procedures for identifying and preventing real and apparent organizational conflicts of interests. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third-party contract or subaward, may, without some restrictions on future activities, result in an unfair competitive advantage to the contractor or Subrecipient or impair the contractor's or Subrecipient's objectivity in performing the contract work.

Section 7. Hatch Act.

The Recipient agrees to comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7321-7326), which limit the political activities of state or local employees whose principal employment is in connection with programs financed in whole or in part by loans or grants made by the United States or a Federal agency. The Hatch Act specifically exempts employees of educational institutions, and the Hatch is not applicable to private, nonprofit organizations unless the statutes through which the nonprofit organizations derive their federal funding contain a provision stating that the recipient organizations are deemed to be state or local government agencies for purposes of the Hatch Act. On December 19, 2012, Congress passed the Hatch Act Modernization Act of 2012 (the Act). The Act became effective on January 27, 2013. Now, only state, D.C., or local government employees whose salaries are paid for entirely by federal funds are prohibited from running for partisan office. All other state, D.C., and local employees, even if they are otherwise covered by Hatch Act restrictions are free under the Hatch Act to run for partisan office.

Section 8. Limitation on Use of Federal Funds for Lobbying for Grants in Excess of \$100,000.

By signing this agreement, the Recipient declares that it is in compliance with 31 U.S.C. § 1352, which prohibits the use of federally appropriated funds to influence a Federal employee, officer, or Member of Congress in connection with the making or modification of any Federal grant, loan, contract, or cooperative agreement. Unless the payment of funds is otherwise reported to FMCSA, signing this agreement constitutes a declaration that no funds, including funds not federally appropriated, were used or agreed to be used to influence this grant.

Recipients of subawards in excess of \$100,000 must make the same declarations to the Recipient. With respect to the payment of funds not federally appropriated by the Recipient and

Subrecipients, the Recipient must report to the FMCSA the name and address of each person paid or performing services for which payment is made, the amount paid, and the activity for which the person was paid.

Section 9. Contracting (Federal Standards).

The Recipient and Subrecipients agree to comply with the Procurement Standards requirements set forth at 2 C.F.R. §§ 200.317 through 200.326 inclusive, whichever may be applicable, and with applicable supplementary U.S. DOT or FMCSA directives or regulations. If determined necessary for proper Project administration, FMCSA reserves the right to review the Recipient's technical specifications and requirements.

Section 10. Notification Requirement.

With respect to any procurement for goods and services (including construction services) having an aggregate value of \$500,000 or more, the Recipient agrees to:

- a. Specify in any announcement of the awarding of the contract for such goods or services the amount of Federal funds that will be used to finance the acquisition; and
- b. Express the said amount as a percentage of the total costs of the planned acquisition.

Section 11. Debarment and Suspension.

The Recipient agrees to obtain certifications on debarment and suspension from its third-party contractors and Subrecipients and otherwise comply with U.S. DOT regulations, Government-wide Debarment and Suspension (Non-procurement) and Government-wide Requirements for Drug-Free Workplace (Grants), 49 C.F.R. part 32. This action of certification shall take place for each federal year, regardless of prior certification completed for a Subrecipient or contractor.

Section 12. Notification of Third Party Contract or Subaward Disputes or Breaches.

The Recipient agrees to notify FMCSA of any current or prospective major dispute, breach, or litigation pertaining to any third-party contract or subaward. If the Recipient seeks to name FMCSA as a party to litigation for any reason, the Recipient agrees first to inform FMCSA before doing so. This provision applies to any type of litigation whatsoever, in any forum.

Section 13. Participation by Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals.

FMCSA encourages the Recipient to utilize small business concerns owned and controlled by socially and economically disadvantaged individuals (as that term is defined for other DOT agencies in 49 C.F.R. part 26) in carrying out the Project.

Section 14. Records Retention.

a. Requirement to Retain Records.

During the course of the Project and for three years after the final Federal financial report is submitted (form SF-425), the Recipient agrees to retain intact and to provide any data, documents, reports, records, contracts, and supporting materials relating to the Project as FMCSA may require. Reporting and record-keeping requirements are set forth in 2 C.F.R. § 200.333.

b. Access to Recipient and Subrecipient Records.

The Recipient, and related subrecipients, will give FMCSA, the Secretary of Transportation, the Comptroller General of the United States, or any of their duly authorized representatives, and, if appropriate the State, through any authorized representative, access to and the right to examine all records, books, papers or documents related to the award and will establish a proper accounting system in accordance with generally accepted accounting standards. Access requirements to records are set forth in 2 C.F.R. § 200.336.

Section 15. Audit and Inspection.

a. Inspector General Act of 1978.

Under the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3 § 1 et seq., an audit of the award may be conducted at any time.

b. Single Audit Act Amendments of 1996.

The Recipient agrees to undergo the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and 2 C.F.R. § 200.501.

c. Other Audit Requirements.

A Recipient that is: (a) a State, local government or Indian tribal government, an institution of higher education or nonprofit organization agrees to comply with the audit requirements of 2 C.F.R. § 200.501, and any revision or supplement thereto; (c) a private for-profit organization agrees to comply with the audit requirements of 2 C.F.R. § 200.501(h).

It is imperative that Recipients submit required Single Audits within the time limits specified in the Circular. The Recipient agrees to submit the data collection form and copies of the reporting package required under the Single Audit Act Amendments of 1996 and 2 C.F.R. § 200.501 to:

The Federal Audit Clearinghouse Bureau of the Census
1201 East 10 Street,
Jefferson, IN 47132.

The Recipient agrees to obtain any other audits required by FMCSA. Project closeout will not alter the Recipient's audit responsibilities. Audit costs for Project administration and management are allowable under this Project to the extent authorized by 2 C.F.R. § 200.501.

The Recipient agrees to permit FMCSA, the Secretary of Transportation and the Comptroller General of the United States, or their authorized representatives, to inspect all Project work, materials, payrolls, and other data, and to audit the books, records, and accounts of the Recipient and its Subrecipients pertaining to the Project. The Recipient agrees to require each Subrecipient to permit the Secretary of Transportation and the Comptroller General of the United States, or their duly authorized representatives, to inspect all work, materials, payrolls, and other data and records involving that subaward, and to audit the books, records, and accounts involving that subaward as it affects the Project.

Section 16. Responsibility for Reporting Fraudulent Activity, Waste, and Abuse.

The Recipient understands that the Federal government shall pursue administrative, civil, or criminal action under a variety of statutes relating to fraud and making false statement or claims.

The Recipient is required to contact the DOT, the Office of Inspector General (OIG), if the Recipient becomes aware of the existence (or apparent existence) of fraudulent activity, waste, or abuse.

The OIG has authority within the DOT to conduct criminal investigations. The DOT OIG maintains a post office box and a toll-free hotline for receiving information from individuals concerning fraud, waste, or abuse under DOT grants and cooperative agreements. The hotline is available 24 hours a day, 7 days a week at <https://www.oig.dot.gov/Hotline>. The identity of the caller is kept confidential, and callers are not required to give their names.

Examples of fraud, waste, and abuse that should be reported include, but are not limited to, embezzlement, misuse, or misappropriation of grant funds or property, and false statements, whether by organizations or individuals. Other examples include, but not limited to, theft of grant funds for personal use; using funds for non-grant-related purposes; theft of federally owned property or property acquired or leased under a grant; charging inflated building rental fees for a building owned by the Recipient; submitting false financial reports; and submitting false financial data in bids submitted to the Recipient (for eventual payment under the grant).

Section 17. Budget and Finance.

The Recipient agrees to carry out Agreement activities and seek reimbursement in accordance with the Approved Project Budget after securing FMCSA written approval. The funding of items identified in the budget constitutes FMCSA's authorization for the Recipient to incur these costs, if they are allowable, allocable, necessary, and reasonable. Furthermore, funds cannot be spent that violate any FMCSA policy or grants manual. Costs not specifically budgeted in this Agreement may be allowable if prior approval is not required and costs are

incurred consistently with the applicable cost principles.

Prior Approval means written permission provided by an FMCSA authorized official in advance of an act that would result in either (1) the obligation or expenditure of funds or (2) the performance or modification of an activity under the grant-supported project where such approval is required. Prior approval must be obtained in writing from the designated Grants Management Officer or FMCSA authorized official for the grant involved. Documentation of the approved budget on the Notice of Grant Award constitutes prior approval. Prior approval applies for the performance of activities and expenditure of funds as described in the grant application, unless otherwise restricted by the terms and conditions of the Agreement.

In accordance with 2 C.F.R. § 200.407 and § 200.308, the Recipient must obtain prior, written approval from FMCSA before making any revisions to the approved project budget and/or project plan: (1) extending the project period of the grant beyond the project period end date specified in the most recent revision of the Agreement; (2) that would require any transfer of funds between Standard Form (SF) 424A (direct-cost budget categories) cumulatively greater than ten percent of the total approved project budget; or (3) that require the addition of expenditures for items or services not approved in the original project plan. Examples include: increased cost of equipment purchased; subawarding, transferring or contracting out of any work under a Federal award not included in the original approved budget; or a first-time request to recover indirect costs.

The Recipient agrees to submit a request for prior approval no less than 30 days prior to the expiration of the Agreement. The FMCSA will not process requests for prior approval received less than 30 days from the Agreement expiration date. Within 30 calendar days from the date of the Recipient's request for prior approval, FMCSA will review the request and notify the Recipient whether the request has been approved. If the revision is still under consideration at the end of 30 calendar days, FMCSA will inform the Recipient in writing of the date when the Recipient may expect the decision.

The Recipient may, without prior approval from FMCSA, make any reasonable and necessary modification to the project budget if such deviations do not cumulatively exceed, or expect to exceed, ten percent of the total approved project amount and provided that such deviations only involve the transfer of funds between expenditure items, cost objectives or categories authorized by FMCSA in the currently approved budget. The Recipient agrees to notify FMCSA of this change.

The Recipient agrees to establish and maintain for the Project either a separate set of accounts or accounts within the framework of an established accounting system, in a manner consistent with 2 C.F.R. § 200.302. Consistent with the provisions of 2 C.F.R. § 200.305, the Recipient agrees to record in the Project Account, and deposit in a financial institution all Project payments received by it from FMCSA pursuant to this Agreement and all other funds provided for, accruing to, or otherwise received because the Project (Project Funds). The Recipient is encouraged to use financial institutions owned at least 50 percent by minority group members.

All costs charged to the Project, including any approved services contributed by the Recipient

or others, shall be supported by properly executed payroll documents, time and attendance records, invoices, contracts, or vouchers describing in detail the nature and propriety of the charges. All match expenditures shall be supported by appropriate records. The Recipient also agrees to maintain accurate records of all Program Income derived from Project implementation. The Recipient agrees that all checks, payrolls, invoices, contracts, vouchers, orders, or other financial documents pertaining in whole or in part to the Project shall be clearly identified, readily accessible, and, to the extent feasible, kept separate from documents not pertaining to the Project.

Section 18. Payments.

a. Request by the Recipient for Payment.

The Recipient's request for payment of the Federal share of approved costs shall be made to FMCSA and will be acted upon by FMCSA as set forth in this section. Each payment made to the Recipient must be in compliance with Department of the Treasury regulations, "Rules and Procedures for Funds Transfers, 31 C.F.R. part 205. To receive a Federal assistance payment, the Recipient must:

- i.** Have demonstrated or certified that it has made a binding commitment of non-Federal funds, if applicable, adequate when combined with Federal payments, to cover all costs to be incurred under the Project to date. A Recipient required by Federal statute or this Agreement to provide contributory matching funds or a cost share agrees:
 - A.** To refrain from requesting or obtaining Federal funds in excess of the amount justified by the contributory matching funds or cost share that has been provided; and
 - B.** To refrain from taking any action that would cause the proportion of Federal funds made available to the Project at any time to exceed the percentage authorized under this Agreement. The requirement for contributory matching funds or cost share may be temporarily waived only to the extent expressly provided in writing by FMCSA.
- ii.** Have submitted to FMCSA all financial and progress reports required to date under this Agreement;
- iii.** Have identified the source(s) of financial assistance provided under this Project, if applicable, from which the payment is to be derived; and
- iv.** Have expended any earned Program Income before requesting any federal funds for reimbursement.

b. Delphi eInvoicing System for DOT Financial Assistance Awardees.

Subject to the requirements in 2 C.F.R. § 200.305, payments will be made after receipt of required FMC SA reporting forms and supporting documentation. Each payment request must be made electronically via the Delphi elnvoicing System.

The following are the procedures for accessing and utilizing the Delphi elnvoicing System.

i. Grant Recipient Requirements.

- A.** Recipient must have internet access to register and submit payment requests through the Delphi elnvoicing system.
- B.** Recipient must submit payment requests electronically and FMCSA must process payment requests electronically.

ii. System User Requirements.

- A.** Recipients should contact FMCSA to request access to the system. The FMCSA will provide the Recipient's name and email address to the DOT Financial Management Office. The DOT will then notify the Recipient to register for the system through an electronic invitation. The Recipient must complete online training prior to DOT giving system access.
- B.** The DOT will send the Recipient an email with an electronic form to verify the Recipient's identity. The Recipient must complete the form, and present it to a Notary Public for verification. The Recipient will return the notarized form to:

DOT Enterprise Services Center
FAA Accounts Payable, AMZ-1 00
PO Box 25710
Oklahoma City, OK 73125.

- C.** The DOT will validate the form and email a user ID and password to the Recipient. The Recipient should contact the FMCSA grants management office with changes to their system information.

- D. Note:** Additional information, including access forms and training materials, can be found on the DOT elnvoicing website:

<https://www.transportation.gov/cfo/delphi-einvoicing-system>

E. Waivers.

DOT Financial Management officials may, in highly limited circumstances and on a case by case basis, waive the requirement to register and use the electronic grant payment system. Waiver request forms can be obtained on the DOT eInvoicing website <https://www.transportation.gov/cfo/delphi-einvoicing-system> or by contacting FMCSA.

Recipients must explain why they are unable to use or access the internet to register and enter payment requests.

c. Reimbursement Payment by FMCSA. If the reimbursement method is used, the Recipient agrees to:

- i.** Complete and submit Standard Form 3881, "Payment Information Form - ACH Payment Vendor Payment System," to FAA-ESC; and
- ii.** Complete and submit, on at least a quarterly basis, Standard Form 270, "Request for Advance or Reimbursement," to FMCSA.
- iii.** Possess and maintain a current DUNs number and entity registration with the System for Award Management (www.sam.gov).

Upon receipt of a payment request and adequate accompanying information (invoices in accordance with applicable cost principles), FMCSA will authorize payment by direct deposit provided the Recipient: (i) is in compliance with its obligations under this Agreement, (ii) has satisfied FMCSA that it needs the requested Federal funds during the requisition period, and (iii) is making adequate and timely progress toward Project completion. If all these circumstances are present, FMCSA may reimburse approved costs incurred by the Recipient up to the maximum amount of FMCSA's share of the total Project funding. FMCSA will employ a payment term of 20 days. The clock will start running for payment on receipt of the invoice by FMCSA's financial processor.

d. Other Payment Information.

The Recipient agrees to adhere to and impose on its Subrecipients all applicable foregoing "Payment by FMCSA" requirements of this Agreement. If the Recipient fails to adhere to the foregoing "Payment by FMCSA" requirements of this Agreement, FMCSA may revoke the portion of the Recipient's funds that has not been expended.

e. Effect of Program Income, Refunds, and Audit Recoveries on Payment.

In accordance with 2 C.F.R. § 200.305(b)(5) State, local government, nonprofit organizations and Indian tribal Recipients and Subrecipients shall disburse program income, rebates, refunds, contract settlements, audit recoveries and interest earned on

such funds before requesting additional cash reimbursements.

f. Reimbursable Costs.

The Recipient's expenditures will be reimbursed only if they meet all requirements set forth below:

- i.** Conform with the Project description and the approved Project Budget and all other terms of this Agreement;
- ii.** Be necessary to accomplish the Project;
- iii.** Be reasonable for the goods or services purchased;
- iv.** Be actual net costs to the Recipient (i.e., the price paid minus any refunds, rebates, or other items of value received by the Recipient that have the effect of reducing the cost actually incurred);
- v.** Be incurred (and be for work performed) after the Federal Funding Period start date of this Agreement, unless specific prior authorization from FMCSA to the contrary is received in writing (pre-award costs);
- vi.** Unless permitted otherwise by Federal statute or regulation, conform with Federal guidelines or regulations and Federal cost principles as set forth below:
 - A.** For Recipients that are governmental organizations, institutions of higher education, private non-profit organizations, the cost principles of 2 C.F.R. § 200, subpart E; and
 - B.** For Recipients that are for-profit organizations, the standards of the Federal Acquisition Regulations, 48 C.F.R. part 31.2, "Contracts with Commercial Organizations" apply.
- vii.** Be satisfactorily documented; and
- viii.** Be treated uniformly and consistently as non-Federal funds under accounting principles and procedures approved and prescribed by FMCSA for the Recipient, and those approved or prescribed by the Recipient for its Subrecipients and contractors.

g. Indirect Costs.

If indirect costs are included in the approved budget, the Recipient may not request these costs for reimbursement absent a current approved indirect cost rate agreement submitted to the FMCSA Division Office, and included as part of the official grant record.

Indirect costs will not be reimbursed without documentation of an approved indirect cost rate from the Recipient's cognizant agency; however, a Recipient or Subrecipient that has never had a negotiated indirect cost rate may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely, without documentation. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time

As described in 2 C.F.R. § 200.403, factors affecting allowability of costs, costs must be consistently charged as either indirect or direct costs, but may not be double-charged or inconsistently charged as both. Except as provided above, if a Recipient intends to request reimbursement of indirect costs, the Recipient must submit the proper documentation before vouchers are submitted for reimbursement. The Recipient must indicate in its budget that it will be seeking indirect costs, and a placeholder indirect cost rate will suffice until an approved rate can be determined.

The Recipient must obtain prior approval through formal amendment in order to recover indirect costs at an approved rate higher than the place holder indirect cost rate if the cumulative amount of such transfer exceeds or is expected to exceed 10 percent of the total approved budget.

The Recipient may not request additional grant funds to recover indirect costs that it cannot recover by shifting funding from direct costs to indirect costs. After this Grant Agreement has been signed, any request for changes to the indirect cost rate will require an amendment and must be approved by formal amendment if the change to the indirect cost rate is a new rate or would cause the cumulative amount of a budget transfer to exceed 10 percent of the total approved budget.

The cognizant agency for indirect costs may allow for a one-time extension of the current indirect cost rate of up to four years without further negotiation of a federally approved indirect cost rate. If the cognizant agency permits any one-time extension, the Recipient is locked in with that indirect cost rate until the end of the approved extension.

h. Pre-Award Costs. A Recipient may be reimbursed for obligations incurred before the effective date of the award if:

- i.** The Recipient receives prior written approval from the FMCSA before the effective date of the grant agreement;
- ii.** The costs are necessary to conduct the project; and
- iii.** The costs would be allowable under the grant, if awarded.

If a specific expenditure would otherwise require prior approval before making the expenditure (i.e. pursuant to 2 C.F.R. § 200.407), then the Recipient must obtain FMCSA written approval before incurring the cost.

Recipient understands that the incurrence of pre-award costs in anticipation of an award is taken at the Recipient's risk and imposes no obligation on FMCSA to make the award or to increase the amount of the approved budget if (1) there is no award subsequently made; (2) an award is made for less than anticipated and is inadequate to cover the pre-award costs incurred; or (3) there are inadequate appropriations.

i. Disallowed Costs.

In determining the amount of Federal assistance FMCSA will provide, FMCSA will exclude:

- i. Any Project costs incurred by the Recipient before the effective date of this Agreement, or amendment or modification thereof, whichever is later, unless otherwise permitted by Federal Law or regulation, or unless an authorized representative of FMCSA states in writing to the contrary;
- ii. Any costs incurred by the Recipient that are not included in the latest approved Project Budget; and
- iii. Any costs attributable to goods or services received under a contract or other arrangement that is required to be, but has not been, concurred with or approved in writing by FMCSA.

The Recipient agrees that reimbursement of any cost under the "Payment by FMCSA," part of this Agreement does not constitute a final FMCSA decision about the allowability of that cost and does not constitute a waiver of any violation by the Recipient of the terms of this Agreement. The Recipient understands that FMCSA will not make a final determination about the allowability of any cost until an audit of the Project has been completed. If FMCSA determines that the Recipient is not entitled to receive any part of the Federal funds requested, FMCSA will notify the Recipient stating the reasons thereof. Project closeout will not alter the Recipient's obligation to return any funds due to FMCSA as a result of later refunds, corrections, or other transactions. Nor will Project closeout alter FMCSA's right to disallow costs and recover funds based on a later audit or other review. Unless prohibited by law,

FMCSA may offset any Federal assistance funds to be made available under this Project as needed to satisfy any outstanding monetary claims that the Federal Government may have against the Recipient. Exceptions pertaining to disallowed costs will be assessed based on their applicability, as set forth in the applicable Federal cost principals or other written Federal guidance.