

SPECIAL TERMS AND CONDITIONS**Subrecipient Name**

THIS AGREEMENT is entered into by and between Workforce Snohomish and **Subrecipient Name** hereinafter referred to as the “Subrecipient.”

It is the purpose of this document to establish an agreement containing appropriate specific terms and conditions between Workforce Snohomish and the Subrecipient for workforce development services funded in whole or in part utilizing funds from the above-referenced program by or through Workforce Snohomish.

IT IS THEREFORE MUTUALLY AGREED THAT:**I. ANTICIPATORY COSTS**

Allowable costs under this Agreement shall include costs incurred by the Agreement from the beginning of the Agreement period to the end of the period for activities allowable under the terms of this Agreement as if this Agreement had been in effect during that period provided that all costs shall not exceed that maximum amount of this Agreement.

II. PERFORMANCE STANDARDS

Workforce Snohomish will institute corrective action for any quarter in which the Subrecipient's performance is less than 85% of plan for the quarter. In instances where the corrective action does not result in achieving performance of 85% of plan or better in the subsequent quarter, Workforce Snohomish may initiate a process to obtain an alternative provider.

III. LIMITATIONS ON CERTAIN COSTS

Costs other than those costs associated with the direct delivery of the services in this Agreement are limited to an approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between Workforce Snohomish and the subrecipient, or a de minimis indirect cost rate of 10% of direct service delivery staff salaries and benefits. Costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. Documentation of federally negotiated indirect cost rate must be provided, when applicable, before contract execution, and documentation must be updated on an annual basis thereafter while in contract with Workforce Snohomish.

No costs may be charged to any budget line for which costs are not budgeted in the Line Item Budget Detail. No costs may be charged for staff positions, software or equipment purchases, or professional services contractor(s) not shown in the Line Item Budget Detail without prior written approval from Workforce Snohomish.

A 10% variance or \$100 overage is allowed for major categories (personnel, participant costs, travel and training, professional services, furniture and supplies, communications and outreach, rent and utilities, equipment and other) for which dollars are budgeted, however, there is no variance on the maximum allowed amount of the agreement. The 10% variance or \$100 overage refers to the total for each category. Workforce Snohomish Directors have the ability to negotiate a higher variance after discussion with subrecipient. There is no variance on the total amount of the contract.

IV. MONITORING

Subrecipients will provide documentation as requested as part of any monitoring process.

V. PAYMENT

The parties have agreed that the total compensation, including expenses payable to the Subrecipient, for satisfactorily accomplishing the work set forth in the Statement of Work will not exceed the Maximum Amount Awarded Under This Agreement. Compensation for services shall be in accordance with the Line Item Budget Detail which is attached hereto and incorporated herein. Payment will be made on a cost-reimbursement basis in accordance with the Workforce Snohomish’s established billing procedures.

Invoices will be submitted on the 15th of each month following the month in which the expenses have occurred. The final year-end invoice as well as the annual settlement or close out package must be received at Workforce Snohomish no later than 45 days after the end of the contract period.

No payment in advance or in anticipation of services or supplies to be provided by this Agreement shall be made by Workforce Snohomish. The Subrecipient shall be entitled only to reimbursement for expenses incurred during the contract period for work accomplished as provided elsewhere in this Agreement.

The Subrecipient shall not bill Workforce Snohomish for costs if the Subrecipient is being paid by another funding source for those same costs.

Signed versions of Workforce Snohomish invoices transmitted by facsimile copy or electronic mail shall be the equivalent of original signatures on original versions of invoice.

VI. RECAPTURING OF FUNDS

The Workforce Snohomish Contract Manager reviews expenditures with each invoice. Quarterly expenditure levels are reported to the Workforce Snohomish Finance Committee and other relevant committees. The Workforce Snohomish Board expects subrecipients to expend all dollars allocated.

Workforce Snohomish expects the following expenditure levels per line item category:

Personnel	100%
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Participant Services	100%
Travel	90%
Professional Services	90%
Furniture and Supplies	90%
Communications and Outreach	90%
Rent and Utilities	90%
Equipment	90%
Other	100%

Workforce Snohomish shall review expenditures on a quarterly basis. Workforce Snohomish expects that the subrecipient expend 100% of the funds allocated. Expenditures must meet at least the planned expenditure level in each major line item category, as stated above. Those funds that do not meet this level may be subject to recapture by Workforce Snohomish. These reviews will happen quarterly upon receipt of the December, March, and June invoices. The Subrecipient will be notified in writing no later than the 30th day of the month following quarter end of the amount of funds Workforce Snohomish will be recapturing. The Subrecipient has five business days from the date of the letter to appeal this action in writing. Appeals will be reviewed by Workforce Snohomish staff and the Subrecipient will be notified in writing of the final decision.

The Subrecipient needs to have spent at least 15% of the total contract amount by the first quarter of the contract. If the Subrecipient is not spent to this level this may be cause for contract reduction. In this case Workforce Snohomish may select an alternative provider.

VII. CONTRACT MODIFICATION

The Subrecipient shall submit to Workforce Snohomish a written request for modification when:

- A. The proposed revision would result in a need for additional funding.
- B. The proposed revision would alter the scope of the Statement of Work.
- C. The Subrecipient desires to transfer funds between budget categories that will result in any decreases or increases between categories. Budget categories shall, for the purpose of this Agreement, be defined as (a) Personnel Costs, (b) Participant Costs, (c) Travel and Training Costs, (d) Professional Services Costs, (e) Furniture and Supplies Costs (f) Communications and Outreach Costs, (g) Rent and Utilities Costs, (h) Equipment costs and (i) Other costs.
- D. The Subrecipient desires to change the Monthly Cost Projections for accrued year-to-date expenditures in any given quarter.

Requests for revision of the approved Agreement budget in the Line Item Budget Detail must be submitted to Workforce Snohomish for approval prior to implementation.

Alteration of the terms of this Agreement shall be valid only when in writing and signed by Workforce Snohomish. All modification requests must be submitted no later than 2 months before contract end date.

VIII. PUBLICITY REGARDING SUBCONTRACT OR PROGRAM

Workforce Snohomish will include information on this subcontract and program in our periodic public reports and may make subcontract and program information public at any time on its web page and as part of press releases, public reports, speeches, newsletters, and other public documents.

The Subrecipient agrees to work with Workforce Snohomish to protect and strengthen Workforce Snohomish's reputation as a valuable asset to the community in all public communications. The Subrecipient further agrees to recognize Workforce Snohomish for its support at public events and in organization and/or program publications. Should the Subrecipient wish to issue a press release or announcement regarding the award of this subcontract, the Subrecipient must obtain advance approval from Workforce Snohomish of the press release and the date of the press release. The Subrecipient agrees to obtain advance approval from Workforce Snohomish for any other use of Workforce Snohomish's name or logo. Workforce Snohomish requests an opportunity to review and comment on subsequent press releases or reports that are directly related to the subcontract or program. The Subrecipient must notify Workforce Snohomish via email to Michael.choy@workforcesnohomish.org at least two weeks prior to any release, announcement, or other publication date.

No funds provided under this subcontract shall be used for publicity purposes for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, film, or web-based presentation designed to support or defeat legislation pending before the Congress. Nor shall funds be used to pay the salary or expenses of any subcontract or agent acting for the Subrecipient related to any activity designed to influence legislation or appropriations pending before Congress.

IX. RECORD RETENTION

Each subrecipient shall:

- (1) Retain all financial, statistical, property, applicant, and participant records and supporting documentation pertinent to its subcontract(s) for a period of at least three (3) years after submittal of the closeout report for the subcontract(s) to Workforce Snohomish.
- (2) Retain all records of non-expendable property for a period of at least three (3) years after final disposition of the property.
- (3) Retain all records pertinent to applicants for program services and participants for a period of not less than three (3) years after submittal of the closeout report to Workforce Snohomish.

(4) Retain all records of applicants for employment for a period of not less than three (3) years after conclusion of the relevant hiring process.

(5) Retain all employee records for a period of not less than three (3) years after the employee leaves the employment of the subrecipient.

(6) Retain all records beyond the three (3) year period if any litigation or audit has begun or after a claim is instituted involving the subcontract covered by the records. In such instances, the records shall be retained for an additional three (3) years after resolution of the litigation, audit, or claim.

In instances where an entity ceases to be a subrecipient of Workforce Snohomish, the records shall be retained by the Site Operator or, in instances where the Site Operator ceases to be a subrecipient, the records shall be transferred to the new Site Operator. In instances where there is no Site Operator (e.g., in-school youth programs) the records shall be transmitted to and retained by Workforce Snohomish or an entity designated by Workforce Snohomish as the ongoing provider of services. Original participant files must be retained by either the Site Operator or Workforce Snohomish at the conclusion of a contract.

X. POLICIES

The subrecipient will follow all current general policies noted on <http://www.workforcesnohomish.org/align/policies/>. The relevant programmatic policies noted on <http://www.workforcesnohomish.org/align/policies/> must also be followed in the execution and closeout of this contract.

XI. INFORMATION TECHNOLOGY

Subrecipient is responsible for providing their staff with a business email account. It is highly recommended that the account be managed by a WorkSource Agency so as to reflect that the employee is an official agent representing the WorkSource Partnership. Public email accounts such as Gmail, Hotmail and Yahoo are discouraged.

Technology equipment purchased with program funds can only be assigned to program staff and will be inventoried by Workforce Snohomish. Upon request, proof of proper use shall be provided to Workforce Snohomish so that its inventory can be kept updated. It is the responsibility of the agency utilizing this equipment to insure the security and maintenance of these assets. This includes but not limited to a managed virus protection plan, desktop support and a policy in place that promotes proper use to safeguard the equipment for the duration of its normal life cycle. It is recommended that the accepting agency set up their administrative rights on their personnel's equipment to access and manage them. To safeguard proprietary information, it is not required to share the administrative password with Workforce Snohomish.

The maintenance of common equipment such as the telecommunications system, copiers, printers, FAX and resource room computers shall remain the responsibility of the Workforce Snohomish.

XII. REQUIRED REPORTS

The Subrecipient shall submit required reports on or before the dates due. These reports and their due dates shall include, but are not be limited to:

- A. Monthly Invoices 15th of the month following the month in which expenditures were incurred
- B. Quarterly Accruals 15th day following the end of the quarter
- C. Quarterly Leverage/Match 15th day following the end of the quarter
- D. Final Invoice 45th day following the end of the contract Period
- E. Contract Settlement/Close Out Package 45th day following the end of the contract period
- F. Program Report Due as required in the contract package Statement of Work or Reporting Guidelines if applicable

Workforce Snohomish reserves the right to withhold payment in the case of failure of the Subrecipient to submit reports by the stated deadlines.