

## Subrecipient Agreement

**BETWEEN** \_\_\_\_\_ (Grantee) **AND** \_\_\_\_\_ (Subrecipient)

This Agreement by and between \_\_\_\_\_ as the recipient (“Grantee”) of grant funds from the SC Rural Infrastructure Authority (“RIA”) under grant # \_\_\_\_\_ (“Grant”) for ( \_\_\_\_\_ ) (the “Project”) and \_\_\_\_\_ as the Subrecipient (“Subrecipient”) of the Grantee do mutually agree to the terms and conditions stated herein and agree that no funds will be disbursed prior to the date of the execution of this Subrecipient Agreement (the “Agreement”). This Agreement will remain in effect until the Grant is closed, the Project is complete, and required audits have been conducted. Any modification or amendment to this Agreement must be made in writing and is subject to the requirements of the RIA.

The Grant was awarded under the South Carolina Infrastructure Investment Program (“SCIIP”) that RIA established in accordance with the Intergovernmental Agreement for the State and Local Fiscal Recovery Funds (“SLFRF”) from the American Rescue Plan Act (“ARPA”) in the State of South Carolina between the South Carolina Department of Administration, Executive Budget Office, and RIA. The application that was approved by RIA in connection with the Grant (the “Application”) is incorporated by reference in this Agreement. Any provisions contained herein which are found to be inconsistent with the SCIIP and RIA program requirements, or its implementing authority, will be deleted or appropriately modified as directed by the RIA.

**Purpose:** It is the purpose and intent of this Agreement to enable the Grantee to provide Grant funds to the Subrecipient for carrying out the project described in the Application which was approved and funded by the RIA pursuant to the Grant.

Under this Agreement, the Grantee is still responsible for the overall administration, compliance, and monitoring of the use of the Grant funds in accordance with SCIIP and RIA program requirements.

**Description of Work:** (To be edited by Grantee as agreed to with Subrecipient - *BE VERY SPECIFIC*)

The Subrecipient will be responsible for administering the following activities in a manner satisfactory to the Grantee and consistent with RIA requirements including SCIIP Grant Project Management Procedures, and other standards imposed as a condition of providing the Grant funds, *including the Supplemental Terms and Conditions attached hereto as Exhibit A.*

- a. Location of Improvements: *Describe the location of work to be performed by the Subrecipient.*
- b. Scope of Work: *Describe in detail the specific activities to be conducted by the Subrecipient.*

c. Performance Accomplishments: *Include measurable accomplishments to be achieved (number of customers served, jobs created/retained, consent orders resolved, etc.)*

d. Roles and Responsibilities of Each Party: *List the major tasks and entity responsible (i.e., Acquisition, Engineering Design, Procurement and Oversight of Construction Contract(s), Operations and Maintenance, etc.)*

**Time of Performance:** Services of the Subrecipient shall commence on \_\_\_\_\_ (date) and is expected to be complete on \_\_\_\_\_ (date). The terms of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains responsible for carrying out the approved activities. This timeframe must conform to the SCIIP grant period as set forth in the Grant Award Agreement between RIA and the Grantee (the "Grant Agreement").

**Budget for Activities:** The total budget to be provided to the Subrecipient by the Grantee for this Project is

\$ \_\_\_\_\_. The total amount of funds committed to this Project by the Subrecipient is

\$ \_\_\_\_\_. Following is a summary of the uses and sources of such committed funds.

Uses	Sources	Amount

**Payments:** The Subrecipient will request needed Grant funds by submitting a request for payment (e.g., invoice) and any required supporting documentation to the Grantee. The Grantee will submit a Request for Payment (RFP) form with supporting documentation to RIA for the disbursement of grant funds. The request must be for eligible expenses only and must include an invoice for the expenses incurred under the Grant. Grant funds must be expended immediately upon receipt. Payments will be made for documented and eligible expenditures consistent with the approved budget.

**Records and Reports:** The Subrecipient must provide a Quarterly Progress Report, Close-out and Certifications Report, and other reports as may be required. All other pertinent Grant records, including accomplishments data, financial records, contracts, or other supporting documents shall be retained for a minimum of five years after closeout of the Grant. If, however, any litigation, claim or audit is started before the expiration of the five-year period, then records must be retained for three years after the litigation, claim or audit is resolved.

**Operation and Maintenance:** Unless otherwise specified in this Agreement, the Subrecipient agrees to be responsible for the operation and maintenance of the facilities, structures or other improvements paid for, in whole or in part, with Grant funds.

**RIA Program Procedures:** The Subrecipient must comply with all SCIIP and RIA procedures and the requirements of ARPA as well as all federal rules and regulations, including the terms of 2 CFR Part 200 and all rules published to date and that may be published in the future by the United States Treasury related to the SLFRF and ARPA, and any applicable State rules and regulations, including the terms of Act 244 and the SCIIP Grant Project Management Procedures provided by RIA. The approved Application, the Grant Agreement, any special conditions, SCIIP Grant Project Management Procedures and any Grant Amendment are incorporated in this Agreement by reference and the Grantee and the Subrecipient agree to comply with such documents.

**Uniform Administrative Requirements:** The Subrecipient shall adhere to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (also referred to as Uniform Guidance), 2 CFR Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury, including but not limited to the following:

**Financial:** The Subrecipient shall maintain a financial management system using generally accepted accounting principles with appropriate internal controls to provide adequate accountability for the Grant in accordance with the Uniform Guidance. All accounting records must be supported by source documentation.

**Procurement:** All purchases of goods and services shall be procured in compliance with the requirements set forth in 2 CFR Part 200.317-27.

**Contracts:** The Subrecipient agrees to incorporate SCIIP and RIA requirements as well as applicable federal terms and conditions as required by 2 CFR 200 Appendix II in its contracts paid for, in whole or in part, with SCIIP and RIA funds.

The Grantee may not award contracts to any contractors who are ineligible to receive contracts under any applicable state or federal laws or regulations. In accordance with, 2CFR Part 180, SCIIP funds may not go to individuals or entities that are prohibited from doing business with the federal government. The debarment status of any contractor must be checked prior to execution of a contract.

The Subrecipient is encouraged to provide maximum opportunity to participate in contracts associated with the Project by Disadvantaged Business Enterprises (DBEs).

For construction contracts in excess of \$100,000 that involve the employment of mechanics and laborers, the Contract Work Hours and Safety Standards Act will be applicable.



For SCIIP grants in excess of \$10 million or projects that are funded in any part with non-ARPA SLFRF funds where Davis Bacon Act and other related labor standards are required, then the whole construction project is subject to those requirements and such provisions must be incorporated in the construction contract.

All contracts and any amendments or significant change orders involving SCIIP grant funds, in whole or in part, must be submitted to the Grantee for submission to RIA for review and approval in writing prior to execution.

**Personnel:** All contractors and subcontractors engaged in the Project shall be fully qualified and properly licensed under State and local laws to perform such services. The Subrecipient shall ensure that all prime contractors/subcontractors are bonded and insured in accordance with State requirements and are not debarred from doing business with the federal government.

**Audits:** The Grantee is responsible for examining and accounting for the expenditure of Grant funds in its first annual audit following completion of the Project. The requirements at 2 CFR Part 200 [Subpart F – Audit Requirements of the Uniform Guidance](#), implementing the Single Audit Act, shall apply to this award. Federal policy states that any organization that expends federal funds which singularly or cumulatively equals or exceeds \$750,000 per year shall have an audit performed in accordance with OMB Circular A-133 “Audits of Higher Education and Other Nonprofit Institutions.” All such audits must be completed and submitted to RIA within nine months after the end of the fiscal year. If the Subrecipient expends less than \$750,000 during the Grantee’s fiscal year, the audit of grant funds received under this agreement shall comply with generally accepted auditing standards established by the American Institute of Certified Public Accountants (AICPA); or the General Accounting Office (GAO) Standards for Audits of Governmental Organizations, Programs, Activities, and Functions, latest revised edition (Yellow Book).

NOTE: SCIIP funds are federal funds. RIA state grant funds are not considered federal funds.

**Records:** The Subrecipient will make available, and cause any contractor to make available, all records, files and other documents related to the Project, the Application, or this Agreement to be audited. The Subrecipient agrees that it will reimburse RIA for any unauthorized or unwarranted expenditures disclosed in the audit, if so directed.

**Reporting:** The Subrecipient should have a Unique Entity ID (UEI) in the System for Award Management (SAM), 2 CFR Part 25, pursuant to which the award term set forth in Appendix A to 2 CFR Part 25 is hereby incorporated by reference.

**State and Federal Laws:** The Subrecipient is responsible for compliance with the requirements of ARPA as well as all federal rules and regulations, including the terms of 2 CFR Part 200 and all rules published to date and that may be published in the future by the United States Treasury related to the SLFRF and ARPA, and all applicable State laws, Executive Orders, and procedures of SCIIP.

**Amendments:** Any changes to the scope of work or budget of the approved Project, as outlined in this Agreement, must be submitted in writing, in advance, by the Subrecipient to the Grantee and the Grantee must submit to RIA. Any amendment approved by the Grantee and RIA shall be appended to this Agreement as an amendment.

**Budget Changes:** Any change in a budget line item (to be paid in whole or in part with Grant funds) that is greater than ten percent (10%) must be approved in writing by RIA prior to any payment with Grant funds.

**Monitoring:** The Subrecipient acknowledges that the Grant is subject to 2 CFR Part 200.331 regarding monitoring and management and that Subrecipient must maintain all Project-related and Grant-related records for review by RIA (or other State agency) and/or the United States Treasury as may be required to ensure timely completion of the Project and compliance with the terms and conditions of this Agreement, SCIIP guidelines, or other State or federal requirements. All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the State or Grantee officials and/or the United States Treasury at any time during normal business hours, as often as deemed necessary to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted during the review must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient of notice of such deficiency, unless otherwise specified. Failure of the Subrecipient to comply with the above requirements will constitute a violation of this Agreement and may result in sanctions specified in the Grant Agreement.

**Liability:** The Subrecipient understands and warrants that it will defend any liability arising from this Agreement and that the Grantee accepts no liability, in so far as such funds are expended in accordance with this Agreement. The Subrecipient shall hold harmless and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or non-performance of the services or subject matter called for in this Agreement.

The Subrecipient agrees to repay to the Grantee the amount of Grant funds provided to the Subrecipient by the Grantee that have been advanced and/or expended in violation of this Agreement; any State or local laws or policies governing the use of RIA funds; and/or ARPA and any federal laws and regulations related thereto, including the terms of 2 CFR Part 200 and all rules published to date and that may be published in the future by the United States Treasury related to the SLFRF and ARPA, and any applicable State rules and regulations. RIA is the sole arbiter in all matters concerning the eligibility of costs and interpretation of the provisions of law, statute, and policy as well as terms and conditions of this Agreement.

**Assignability:** The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee and RIA.

**Suspension and Termination:** Suspension or termination of payment to the Subrecipient under this Agreement may occur if the Subrecipient materially fails to comply with any terms of this Agreement, and the Agreement may be terminated for convenience.

**Lobbying and Political Activity:** The Subrecipient is prohibited from using any Grant funds for the purpose of lobbying the members of the United States Congress or Senate or the South Carolina General Assembly or any federal or State agency, including the restrictions on lobbying set forth in 31 CFR Part 21. None of the Grant funds or materials, property or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office or otherwise in violation of the provisions of Section 8-13-765 of the Code. No elected or appointed State or federal official shall be allowed any share or part of this Agreement or to any benefit arising from the same.

**Discrimination:** The Subrecipient agrees to comply with the federal nondiscrimination requirements in 2 CFR Part 200.321 and as set forth in Exhibit A, Section 5 and shall require that its contractors comply with these same requirements. The Subrecipient and any Contractor are encouraged to take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, age, sex, national origin, or disability or other protected group as defined by federal or state laws.

**South Carolina Illegal Immigration Reform Act:** The Subrecipient and any contractors under its supervision are required to comply with the South Carolina Illegal Immigration Reform Act requiring verification of lawful presence in the United States of any alien 18 years of age or older who has applied for state or local public benefits, as defined in 8 U.S.C. Section 1621, or for federal public benefits, as defined in U.S.C. Section 1611.

**Interest of Certain Federal or State Officials:** No elected or appointed State or federal official shall be allowed any share or part of this Agreement or to any benefit arising from the same.



**Conflict of Interest:** No member, officer or employee of the Subrecipient, or its designees or agents, no member of the governing body of the locality in which the Project is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the Project during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project or this Agreement. The Subrecipient shall maintain a conflict of interest policy in compliance with federal requirements as set forth in Exhibit A, Section 4 and shall incorporate, or cause to be incorporated, in all of its contracts or subcontracts relating to the Project and this Agreement this provision prohibiting such interest. The Subrecipient shall further comply with Section 8-13-100 et. seq. of the Code of Laws of South Carolina, 1976, as amended, and generally avoid any action that might result in or create an appearance of conflict.

**Applicable Law:** This Agreement is made under and shall be construed in accordance with the laws of the State of South Carolina, without regard to conflicts of the laws' principles. The federal and state courts within the State of South Carolina shall have exclusive jurisdiction to adjudicate any disputes arising out of or in connection with this Agreement.

**Confidential Information:** Any reports, information, data, or other documentation given to or prepared or assembled by the Subrecipient under this Agreement which the Grantee or RIA requests to be kept confidential shall not be made available to any individual or organization by the Subrecipient without the prior written approval of RIA; provided, however, should the Subrecipient be required by law, court order or some other form of compulsory process to disclose such information, the Subrecipient will give the Grantee and RIA timely notice of such request prior to disclosure of the information.

**Freedom of Information:** The Subrecipient acknowledges and agrees that this Agreement and certain other information related to the Grant Award are or may be subject to public disclosure according to the South Carolina Freedom of Information ("FOI") Act and that the Subrecipient, the Grantee and the State are required to comply with the provisions of the FOI Act.

**Copyright:** No material produced in whole or in part under this Grant shall be subject to copyright in the United States or in any other country. RIA shall have the unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement.

**Terms and Conditions:** The Grantee reserves the right to add or delete terms and conditions of this Agreement as may be required by revisions and additions to changes in the requirements, regulations, and laws governing the RIA and any other agency of the State.

**Severability:** If any provision of this Agreement is or becomes illegal, invalid, or unenforceable in any respect, the legality, validity, and enforceability of the other provisions of this Agreement shall not in any way be affected or impaired thereby.



1201 Main Street, Suite 1600  
Columbia, SC 29201  
[www.ria.sc.gov](http://www.ria.sc.gov)

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**Title of the Subrecipient Official**

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**Signature of the Subrecipient**

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**Date**

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**Title of the Grantee Official**

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**Signature of the Grantee**

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**Date**