

**Grant Guidance for  
State American Rescue Plan Act  
Legislative Priority  
Water Infrastructure Projects**



**Financial Assistance Center  
Division of Environmental Quality**



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## **Grant Guidance for State American Rescue Plan Act Legislative Priority Water Infrastructure Projects**

Recipients are strongly encouraged to read this grant guidance in its entirety, including all appendices and exhibits before completing a funding request form.

### **Purpose:**

This guidance document describes the Missouri Department of Natural Resources' Financial Assistance Center's (FAC) procedure for evaluating and awarding State of Missouri American Rescue Plan Act (ARPA) grants to recipients of the House Bill (HB) 3020 legislative priority water infrastructure projects. It provides important information necessary to understand the State ARPA legislative priority water infrastructure grants.

### **Authority:**

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 (the Act) into law (Section 602(b) of the Social Security Act, as added by section 9901 of the American Rescue Plan Act (ARPA), Pub. L. No. 117-2). The Act will fund a multitude of efforts aimed at alleviating the COVID-19 pandemic and associated economic downturn. As part of those efforts, the ARPA provided over \$2.6 billion dollars to the State of Missouri for a number of uses, including funding "to make necessary investments in water, sewer, and broadband infrastructure."

The state legislature appropriated \$67,434,753 in ARPA dollars through HB 3020, to the Department, in state fiscal year 2023 to make investments related to water infrastructure in certain communities, hereinafter referred to as legislative priority water infrastructure projects.

### **Intent:**

The U.S. Department of Treasury's (Treasury) Final Rule (31 CFR Part 35<sup>1</sup>) (the Final Rule) states that ARPA investments in water and sewer must be necessary. Treasury considers a necessary investment in infrastructure be one that is (1) responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise and (2) a cost-effective means for meeting that need, taking into account available alternatives. Thus, grant recipients must utilize funds to complete drinking water, wastewater, and stormwater capital-improvement infrastructure projects that are necessary per the definitions above.

### **Eligible Recipients and Program Details:**

The Department's FAC will administer grant awards to the legislative priority water infrastructure grants. Following are the specific recipients designated by the General Assembly in HB 3020 and the amount appropriated to each for water infrastructure projects.

- 1) City of Chesterfield: \$2,000,000
- 2) City of Carthage: \$2,000,000
- 3) City of Joplin: \$5,000,000
- 4) City of Rolla: \$2,000,000
- 5) City of Republic: \$25,000,000
- 6) St. Charles County: \$2,500,000
- 7) City of Warrenton: \$3,159,753
- 8) City of Eureka: \$4,000,000

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<sup>1</sup> <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>

- 9) City of Clarksville: \$2,000,000
- 10) City of Lee's Summit: \$10,500,000
- 11) City of Ozark: \$3,250,000
- 12) Brush Creek: \$2,875,000
- 13) Public Water Supply District #1 of Ste. Genevieve County: \$1,250,000
- 14) City of Desoto: \$1,000,000
- 15) City of Union: \$900,000

The maximum legislative priority grant award for each recipient will be equal to the amount appropriated in HB 3020 and listed above.

The above recipients may also receive consideration through the ARPA competitive grant funding opportunity only if funds remain available through the competitive opportunity after all other eligible competitive grant applicants (that did not receive a specific appropriation) have been scored and obligated funds. If funds remain through the competitive ARPA grant opportunity, any legislative priority recipients that also applied for the competitive opportunity will be evaluated and scored in a second round. Successful second round applicants are eligible for the eligible competitive grant amount less the amount of the legislative priority grant award. For example, the competitive ARPA wastewater grant opportunity offers a maximum of \$5 million per wastewater project. If a community receives \$2 million in legislative priority funding, they will be limited to a maximum of \$3 million from the competitive ARPA grant opportunity for a total of \$5 million.

#### **Match Guidelines:**

Applicants must provide local match on a one-to-one basis to receive the appropriated funds. The community is required to provide an attestation committing match funds or in-kind contributions to the project, along with the form requesting funds, by submitting the "Assurance of Local Funds" form.

- The community will not be allowed to draw more funds than they are prepared to match.
- Match expenditures must be tied to the project and must be reasonable.
- If a community cannot commit to funding 50 percent of the full project cost at the time of award, but can commit to providing the full 50 percent over the life of the project award (also called the budget period), they can still receive an award for the full amount of the appropriated dollars.
  - For example, a community would like to complete a \$1,000,000 project. They request a \$500,000 grant, but only have \$250,000 in available cash for match at the time of application. The community can commit to raising user rates to generate the remaining \$250,000 in needed match that will be collected during the 2-3 years that the project is being planned, designed and built, and submit an Assurance of Local Match Form documenting this commitment.
- Cash on hand, local ARPA dollars, in-kind contributions and future anticipated funds are acceptable forms of match. In-kind is only acceptable as a source of match, if it is specific to the project. An in-kind contribution is a contribution of a good or a service other than money. Documentation of any in-kind contributions must be submitted at the time the recipient submits the funding request form to request funding.
- Project expenditures and in-kind contributions dating back to March 01, 2020 can be counted towards match. However, only expenditures made after March 03, 2021 are eligible for ARPA reimbursement per the Final Rule. For example, a city would like to

complete a wastewater project that costs a total of \$4,000,000: \$1,000,000 for design and \$3,000,000 for construction.

- The city is listed in H.B. 3020 for \$2,000,000 in legislative priority funding with a required match of \$2,000,000.
  - The city began design work in June of 2020 and finished all design work by December of 2020. The city spends \$1,000,000 of cash to pay for the design. These expenses can be listed as match, but cannot be reimbursed with ARPA funds.
  - In June of 2021, the city starts construction and completes \$1,000,000 worth of work. The completed work is eligible for ARPA reimbursement because it occurred after March 03, 2021.
  - The city can list \$1,000,000 of design work as in-kind match (it occurred after March of 2020) and request reimbursement through ARPA for the \$1,000,000 of the completed construction work.
- Federal funds\* will not be accepted as a match contribution. Communities will need to submit the Applicant Assurance of Local Cost Share Form with their funding request form. Failure to commit the funds indicated on this form could result in the withdrawal of grant funding.
  - Failure to contribute the promised match may result in the Department withdrawing grant funding from a project.

\*The Department may consider granting an exception to allow use of Federal funds as match for projects that are designed and ready to bid, and for which the federal funds have been awarded or will be within 30 days of the legislative priority State ARPA grant award. Such exceptions may be made at the Department's sole discretion at the time of submitting the form to request funding. Exceptions will be based on the Department's assessment of project readiness, including an estimated project schedule indicating the project completion date is prior to December 31, 2026.

### **Eligible Projects and Costs:**

A number of different types of projects are deemed eligible for ARPA funding under the Final Rule. The Department will review each legislative priority project for eligibility prior to award. The Department can only award funds for projects that are eligible under the Final Rule of the U.S. Treasury.

The Final Rule states that all projects eligible under the State Revolving Fund (SRF) program are also eligible for ARPA funding. Following are links to the Drinking Water and Clean Water SRF Eligibility Handbooks.

EPA's Drinking Water SRF Eligibility Handbook: [https://www.epa.gov/sites/default/files/2019-10/documents/dwsrf\\_eligibility\\_handbook\\_june\\_13\\_2017\\_updated\\_508\\_versioni.pdf](https://www.epa.gov/sites/default/files/2019-10/documents/dwsrf_eligibility_handbook_june_13_2017_updated_508_versioni.pdf)

EPA's Clean Water SRF Eligibility Handbook: [https://www.epa.gov/sites/default/files/2016-07/documents/overview\\_of\\_cwsrf\\_eligibilities\\_may\\_2016.pdf](https://www.epa.gov/sites/default/files/2016-07/documents/overview_of_cwsrf_eligibilities_may_2016.pdf)

Additionally, the final rule allows for several project types above and beyond those allowed by the SRF programs.

The Final Rule does place some specific restrictions on the use of ARPA funds. Specifically, ARPA funds cannot be used to pay off debt service, fund judicial settlements or judgments, or

replenish cash reserves. Additionally, ARPA funds may only be used to pay for project costs incurred after March 03, 2021. All ARPA funds must be obligated to a project by December 31, 2024 and spent by December 31, 2026. Obligated means the applicant has entered into a signed state financial assistance agreement.

### **Process to Request Funding:**

All recipients must submit a funding request form by December 31, 2022 at 5:00 p.m. This deadline is intended to ensure timely dispersal of funds. Recipients must submit the form and related documents, listed below, through an online web portal at <https://moarpa.mo.gov>. The online form will include instructions throughout the form. There will not be a separate document for instructions. If a recipient does not have the ability to submit an online form, they may contact the Department at 573-751-1192 or at [DNR.ARPA@dnr.mo.gov](mailto:DNR.ARPA@dnr.mo.gov) to discuss options.

The recipient must submit the following documents with its funding request form:

- An Authorized Representative Form.
- A Local Cost Share Form. The form will be available through the online web portal and provided to communities who do not have the ability to submit online.

The Department will conduct a preliminary review of all forms for completeness and will notify communities of any missing information or documents. Failure to respond to these notifications will delay funding.

Though not required at the time of submitting the form to request the funding, the recipient must also submit to the department:

- A complete engineering report, facility plan (unless exempt under 10 CSR 20-6.010(4)(B)), or stormwater planning document by March 31, 2023. Facility plans that require an anti-degradation review must submit the complete anti-degradation review submittal as well. The engineering report, facility plan, or other planning document must be submitted to the Department within 90 days from the date of funding request form submission. A professional engineer or similar professional must have reviewed and/or stamped these reports no more than three years prior to the form submission date. Older reports are acceptable if the report has been updated within the last three years and has been stamped by a professional engineer.

If the project is deemed eligible following the Department's review of the engineering report, facility plan or stormwater planning document, the Department will notify successful recipients through the online web portal with award instructions.

### **Federal and State Requirements:**

A number of federal and state laws apply to projects receiving Missouri ARPA funding through the FAC. The federal Uniform Rule at 2 CFR Part 200 applies to all ARPA funding. This includes requirements for contractor procurement, acquisition of real property, and single audit requirements, among others. In the case of capital expenditures in particular, this includes environmental and permitting laws and regulations. Uniform administrative requirements regarding procurement require applicable contract clauses required by 2 CFR 200.327, and subrecipients must follow the procurement standards in 2 CFR 200.318 through 200.327, including ensuring that the procurement method used for the contracts are appropriate based on the dollar amount and the conditions specified in 2 CFR 200.320.

In addition to federal requirements, several state requirements also apply to projects receiving legislative priority State ARPA funding, including state prevailing wages and engineering procurement requirements under §§ 8.287 – 8.291, RSMo.

Several requirements that are common to federal contracting do not apply to ARPA projects. This includes National Environmental Protection Act (NEPA) reviews and American Iron and Steel (AIS) requirements. The Final Rule encourages the use of strong labor practices, including wages at or above prevailing wage and use of contractors without recent violations, but the Davis Bacon federal prevailing wage rates are not required for projects under \$10 million in cost (ARPA grant and match combined). Projects in excess of \$100,000 with respect to employment of mechanics and laborers must comply with the Contract Work Hours and Safety Act (29 CFR, Part 5).

Refer to the ARPA Subrecipient Terms and Conditions and Special ARPA Terms and Conditions in the exhibits for further requirements.

**Other Resources:**

If applicants still have questions they can contact the Financial Assistance Center at 573-751-1192 or by email at [DNR.APRA@dnr.mo.gov](mailto:DNR.APRA@dnr.mo.gov).



**Appendix 1:** The community will also be required to submit the following forms at the time of requesting the funding: 1) Resolution of Governing Body of Applicant Form (Authorized Representative Form) and 2) Local Cost Share Form. The forms will be available through the online web portal and provided to communities who do not have the ability to submit online.

## RESOLUTION OF GOVERNING BODY OF APPLICANT

### RESOLUTION NO.

(Suggested Form for Applicant use)

**Resolution authorizing the filing of an application with the Missouri Department of Natural Resources, Financial Assistance Center's State ARPA Grant Programs for subaward of federal financial assistance provided to the State of Missouri by the U.S. Department of the Treasury ("Treasury") pursuant to Section 602(b) of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act, (Pub. L. No. 117-2 (March 11, 2021), 135 Stat. 4, 223-26.**

**WHEREAS under the terms of section 602(c) of the Act and Treasury's regulations, the State of Missouri has authorized the making of grants to authorized applicants to aid in the completion of specific public projects.**

**NOW, THEREFORE, be it resolved by** \_\_\_\_\_  
(governing body of applicant)

- 1. That** \_\_\_\_\_ **be and he/she is hereby authorized to execute and**  
(designated official)  
**file an application(s) on behalf of** \_\_\_\_\_  
(legal name of applicant)  
**with the State of Missouri for grant funding to aid in the completion of: a drinking water, wastewater, and/or a stormwater project.**

\_\_\_\_\_  
(Brief description of project(s))  
\_\_\_\_\_

- 2. That** \_\_\_\_\_,  
(name of authorized official) (Title)  
**is hereby authorized and directed to furnish such information as the Missouri Department of Natural Resources may reasonably request in connection with the application which is herein authorized, to sign all necessary documents on behalf of the applicant, to furnish such assurances to the Missouri Department of Natural Resources as may be required by law or regulation, and to receive payment on behalf of the applicant.**

## CERTIFICATE OF RECORDING OFFICER

**The undersigned, duly qualified and acting** \_\_\_\_\_ **of the**  
(title of officer)

\_\_\_\_\_, **does hereby certify: That the attached resolution is a**  
(legal name of applicant)

**true and correct copy of the resolution adopted at a legally convened meeting of the**

\_\_\_\_\_ **held on the** \_\_\_\_\_ **day of** \_\_\_\_\_;  
(name of the governing body of applicant)

**and further that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this** \_\_\_\_\_ **day of** \_\_\_\_\_.

**SEAL (If applicant has an official seal, impress here.)**

\_\_\_\_\_  
(signature of recording officer)

\_\_\_\_\_  
(title of recording officer)

**Applicant Assurance of Local Cost Share Form**  
**Missouri Department of Natural Resources**  
**Financial Assistance Center**  
**State ARPA Grant Program**

The Financial Assistance Center (FAC) has indicated that applicants to the legislative priority State American Rescue Plan Act (ARPA) grant program are required to provide no less than 50 percent in matching funds to the project. Cash on hand, local ARPA grant dollars, in-kind contributions, and anticipated funds will be accepted as match. Other state or federal grants (USDA, CDBG, SRF, etc.) will not be accepted, unless approved by the Department at the time of application. Applicants will need to indicate the amount of match that they are allocating to their proposed state ARPA project. Failure to provide the match indicated on this form toward the project will result in the withdrawal of state ARPA grant funds.

Please indicate what kind of local funds the applicant intends to contribute to the project. Check all that apply and complete the table as appropriate.

☐ Cash On-Hand

	Applicant's Information	Example
Name of Account		Water Fund
Current Account Balance	\$	\$325,000
Name of Account		Capital Improvement Fund
Current Account Balance	\$	\$125,000
Total Cash On-Hand Allocated to Match	\$	<b>\$250,000</b>

☐ Local ARPA Grant Funds

	Applicant's Information	Example
1 <sup>st</sup> Tranche of Funding	\$	\$20,000
2 <sup>nd</sup> Tranche of Funding (received or anticipated)	\$	\$20,000
Award from County Government		\$50,000
Total Local ARPA Funds Allocated to Match	\$	<b>\$86,000</b>

☐ In-kind Contribution

In-kind Description	Applicant's Information	Example
Land Purchase	\$	\$100,000
Equipment Purchase	\$	\$ 50,000
Completed Design	\$	\$130,000
Other: _____	\$	
Other: _____	\$	
Total In-kind Allocated to Match	\$	<b>\$280,000</b>

☐ Anticipated Funds

	Applicant's Information	Example
User Rate Revenue (not yet collected)	\$	\$50,000
Other: _____	\$	
Other: _____	\$	
Total Anticipated Funds Allocated to Match	\$	<b>\$50,000</b>

Description of Anticipated Funds:

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Total Amount of Match (sum of the tables above): \$\_\_\_\_\_ (Example: **\$666,000**)

\_\_\_\_\_  
Signature (Authorized Representative)

\_\_\_\_\_  
Legal Name of Applicant (City, District, County)

\_\_\_\_\_  
Date

## Appendix 2: Document Submittal Checklist

ARPA Document Submittal Checklist		
CHECKLIST	SUBMITTAL TIMELINE	
	WITH APPLICATION	AFTER SCORING and PRIOR TO AWARD
Application	X	
Resolution for Authorized Representative	X	
Facility Plan (if needed)	X (if completed)	
Applicant Assurance of Local Funds	X	
Certificate Regarding Debarment and Suspension Form		X
Business Entity Certification / E-Verify MOU		X
Affidavit of Work Authorization / Business Entity Certification from applicant		X
Intermunicipal Agreement (if applicable)		X-if two cities are connecting
Procurement and A/E Agreement		
---Request for Qualifications		X
---Procurement Certification Form		X
---Engineer's Business Entity / E-Verify MOU		X
---Engineer's Affidavit of Work Authorization		X
---AE Contract Agreement-Planning		X
---AE Contract Agreement-Design		X
---AE Contract Agreement-Construction		X
---Certificate Regarding Debarment and Suspension Form		X
Applicant Assurance of Acquisition with Respect to the Uniform Relocation Act		X
Certification Regarding Lobbying OR Disclosure of Lobbying Activities		X
Construction Permit Application & Fee		X
Plans and Specifications (if applicable)		
---Contract 1		X
---Contract 2		X
Bid Documents		
---Affidavit of Publication		X
---Bid Tab		X
---Bid Form		X
---Recommendation of award		X
---Addenda and bidders acknowledgement		X
---MBE/WBE Utilization Form		X
---Bid Bond		X
---Affidavit of Work Authorization from Contractor		X
---Contractor's Business Entity / E-Verify MOU		
---Domestic Products Procurement Act Certification		X
Executed Construction Contract		X
Notice to Proceed		X
Affidavit of Compliance with the Prevailing Wage Law (before final payment)		X
Statement of Work Complete		X

## **Additional Exhibits**

**Exhibit 1: Financial Assistance Agreement**

**Exhibit 2: ARPA Subrecipient Terms and Conditions**

**Exhibit 3: Missouri ARPA Water Infrastructure Special Terms and Conditions**



MISSOURI DEPARTMENT OF NATURAL RESOURCES

**FINANCIAL ASSISTANCE AGREEMENT**

Assistance as described herein is hereby offered and accepted effective upon signature of authorized officials for the dates indicated in Budget Period and Project Period below.

**RECIPIENT INFORMATION**

RECIPIENT NAME		RECIPIENT TELEPHONE NUMBER WITH AREA CODE	
ADDRESS		CITY	STATE ZIP CODE
UNIQUE ENTITY ID	AWARD NUMBER	BUDGET PERIOD	PROJECT PERIOD
RECIPIENT PROJECT MANAGER NAME		RECIPIENT PROJECT EMAIL ADDRESS	PROJECT MANAGER TELEPHONE NUMBER WITH AREA CODE
HAVE YOU OR AN IMMEDIATE FAMILY MEMBER EVER SERVED IN THE U.S. ARMED FORCES? YES <input type="checkbox"/> NO <input type="checkbox"/>			
IF YES, WOULD YOU LIKE INFORMATION ABOUT MILITARY-RELATED SERVICES IN MISSOURI? YES <input type="checkbox"/> NO <input type="checkbox"/>			

**PROJECT INFORMATION**

RECIPIENT PROJECT TITLE AND PROJECT DESCRIPTION ( <a href="#">ATTACH ADDITIONAL PAGES AS NECESSARY</a> )			
TYPE OF ASSISTANCE New Award <input type="checkbox"/> Amendment <input type="checkbox"/>	SOURCE OF FUNDING Federal <input type="checkbox"/> State <input type="checkbox"/> Other <input type="checkbox"/>	CFDA NUMBER	CFDA NAME
STATE PROJECT MANAGER NAME		STATE PROJECT MANAGER TELEPHONE NUMBER WITH AREA CODE	INDIRECT COST RATE FOR RECIPIENT
RESEARCH AND DEVELOPMENT YES <input type="checkbox"/> NO <input type="checkbox"/>	RESEARCH AND DEVELOPMENT COMMENTS IF NEEDED		

PROJECT FUNDING	Original Amount	Original Percentage	Amended Amount	Amended Percentage	Total Amount	Total Percentage
Federal Award:	\$	NaN %	\$	NaN %	\$	NaN %
State/Other Award:	\$	NaN %	\$	NaN %	\$	NaN %
Recipient Match:	\$	NaN %	\$	NaN %	\$	NaN %
Total Award:	\$0	0 %	\$0	0 %	\$0	0 %

**AGREEMENT ADMINISTRATION**

THE ATTACHMENTS IDENTIFIED BELOW ARE INCORPORATED BY REFERENCE AS THOUGH FULLY RESTATED HEREIN. THE RECIPIENT AGREES TO ADMINISTER THIS AGREEMENT IN ACCORDANCE WITH ALL APPLICABLE FEDERAL AND STATE LAWS AND REGULATIONS INCLUDING, BUT NOT LIMITED TO:

APPLICABLE PROGRAM GUIDELINES		APPLICATION NUMBER		RECIPIENT APPLICATION, AS NEGOTIATED, DATED	
BUDGET PLAN Attachment #	DETAILED SCOPE OF WORK Attachment #	SPECIAL CONDITIONS Attachment #	GENERAL TERMS AND CONDITIONS Attachment #	SUSPENSION/DEBARMENT Attachment #	PUBLIC LAW Attachment #
PUBLICATIONS Attachment #	EPA MBE/WBE UTILIZATION Attachment #	CERTIFICATE REGARDING LOBBYING Attachment #	INVOICE Attachment #	ADDITIONAL ATTACHMENTS Attachment # Attachment #	

**AMENDMENT INFORMATION**

AMENDMENT ID	AMENDMENT DESCRIPTION ( <a href="#">ATTACH ADDITIONAL PAGES AS NECESSARY</a> )
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**FEDERAL AWARD INFORMATION** ([ATTACH ADDITIONAL PAGES AS NECESSARY](#))

FEDERAL AWARD PROJECT TITLE AND DESCRIPTION	
FEDERAL AWARDDING AGENCY	FEDERAL AWARD ID NUMBER PASS THROUGH ENTITY NAME MoDNR,
FEDERAL FUNDING YEAR	FEDERAL AWARD DATE TOTAL AMOUNT OF FEDERAL AWARD \$ INDIRECT COST RATE FOR MoDNR %

**APPROVAL**

I am at least 18 years old, and certify I am duly authorized to accept this award for recipient using electronic signature. The recipient understands and agrees it is a condition precedent to receive reimbursement that recipient comply with and is not in breach or default of all terms and conditions of this award stated above and attached hereto, and that no request for reimbursement will be processed unless it is presented in proper form.

RECIPIENT ORGANIZATION AUTHORIZED OFFICIAL NAME AND TITLE (TYPED)	SIGNATURE	DATE
DEPARTMENT OF NATURAL RESOURCES DIRECTOR OR DESIGNEE NAME (TYPED)	SIGNATURE	DATE

## Instructions for MoDNR staff completing Financial Assistance Agreement Form

Recipient Information: complete all fields

- Recipient Name – Must match the registered name in the System for Award Management (SAM). If the recipient is not yet registered in SAM, then they should be provided with information on how to register (<http://www.sam.gov>).
- Unique Identifier – Must match the unique identifier number in SAM. Currently it is the recipient's Data Universal Numbering System (DUNS) number which the recipient must have prior to the award. DUNS numbers may be obtained without charge at <http://fedgov.dnb.com/webform>.

Project Information: complete all fields

- CFDA Number – The Catalog of Federal Domestic Assistance (CFDA) number is found on the Notice of Award.
- CDFA Name – Is found on the Notice of Award.
- Research and Development Comments – Complete field if checking “Yes” in the Research and Development field.
- Project Funding – The Original Amount, Original Percent, Total Amount and Total Percentage fields must be completed. If the original agreement amount is being amended, the Amended Amount and Amended Percentage fields must also be completed.

Agreement Administration: complete all applicable fields.

Attachments included in the agreement packet should all be identified in this section.

Amendment Information: complete all fields if amending the agreement

- Amendment ID – Enter the amendment number (i.e., enter “1” if it is the first amendment, enter “2” if it is the second amendment, etc.).
- Amendment Description – Summarize what is being amended. Example: Original agreement amount is being increased by \$500,000 and the Budget Period and Project Periods are being extended six months.

Federal Award Information: Complete all fields if using federal funds for any part of the award. If the award is being funded by multiple federal grants, information on each grant must be included as an attachment.

- Federal Award Project Title and Description – Refer to the Notice of Award from the federal agency.
- Federal Awarding Agency – Designate from which federal agency MoDNR received pass through funds.
- Federal Award ID Number – Refer to the Notice of Award.
- Pass Through Entity Name – Enter information in this format: *Division, Program*.
- Federal Funding Year – Federal year the funding is provided.
- Federal Award Date – Date the federal award is signed by the authorized official of the Federal awarding agency. Refer to the Notice of Award.
- Total Amount of Federal Award – Enter the total amount awarded by the federal agency to include any amended amounts. Refer to the Notice of Award.
- Indirect Cost Rate for MoDNR – Current MoDNR rates can be found at <http://n-nr1ntra.ads.state.mo.us/das/rates-current.htm>.

Approval: complete fields below

- Department of Natural Resources Director Or Designee – Enter the name of the MoDNR director.
- Recipient Organization Authorized Official Name and Title – Enter the name and title of the person who will be signing on behalf of the recipient organization, if known.



## EXHIBIT 2

### **TERMS AND CONDITIONS FOR GRANTEE** **RECEIPT OF FEDERAL ARPA SFRF FUNDS**

**I. Use of Funds:** \_\_\_\_\_ (“Grantee”) understands and agrees that the funds disbursed under this grant may only be used in compliance with section 602(c) of the Social Security Act (“Act”), as added by Section 9901 of the American Rescue Plan Act (“ARPA”), Pub. L. No. 117-2 (March 11, 2021), 135 Stat. 4, 223–26, and the U.S. Department of the Treasury (“Treasury”)’s regulations implementing that section and guidance, and in compliance with all other restrictions and specifications on use set forth in or applicable through this agreement. Grantee will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project.

**Period of Performance:** The period of performance for this award begins on the date hereof and ends on [END DATE NO LATER THAN 12/31/26]. Grantee may use funds granted under this agreement to cover eligible costs incurred during the period of performance, but no later than [END DATE NO LATER THAN 12/31/24].

**Reporting:** Grantee agrees to comply with any reporting obligations established by Treasury or the State of Missouri (“State”), as it relates to this grant. Those reporting obligations shall include, without limitation, the following: reporting that is necessary for the State to comply with the Treasury’s Project and Expenditure Report User Guide for State and Local Fiscal Recovery Funds, Version: 2, dated April 1, 2022 and any later versions of that publication.<sup>1</sup>

**Maintenance of and Access to Records:** Grantee shall maintain records and financial documents sufficient to evidence compliance with section 602(c) of the Act and Treasury’s regulations implementing that section and guidance regarding the eligible uses of funds. Grantee shall also maintain records and financial documents: 1. sufficient for the State, with respect to Grantee’s participation in this grant agreement, to evidence compliance with section 602(c) of the Act and Treasury’s regulations implementing that section and guidance regarding the eligible uses of funds; and 2. necessary for the State, with respect to Grantee’s participation in this grant agreement, to comply with obligations under 2 C.F.R. Part 200 and any other applicable law. For subrecipients, Grantee shall further maintain all records and financial documents necessary for: 1. Grantee to comply with obligations as a subrecipient under 2 C.F.R. Part 200; and 2. the State to comply with obligations as a pass-through entity under 2 C.F.R. Part 200. The Treasury Office of Inspector General, the Government Accountability Office, their authorized representatives, the State, or its authorized representatives, shall have the right of access to records and documents (electronic and otherwise) of Grantee in order to conduct audits or other investigations or reviews.<sup>2</sup>

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<sup>1</sup> For subrecipients, in the case of an additional reporting requirement imposed by the State under 2 C.F.R. § 200.332(a)(3), this agreement shall be amended.

<sup>2</sup> For subrecipients, the State’s right of access in this paragraph includes, but is not limited to, the right set forth at 2 C.F.R. § 200.332(a)(5) that “the pass-through entity and auditors [shall] have

Records shall be maintained by Grantee for a period of five (5) years after all funds have been expended or returned to the State, whichever is later. Wherever practicable, records should be collected, transmitted, and stored in open and machine-readable formats. Grantee's obligations under this section shall include, without limitation, maintenance of the following specified types of records and financial documents: documents that are necessary for the State to comply with the Treasury's Project and Expenditure Report User Guide for State and Local Fiscal Recovery Funds, Version: 2, dated April 1, 2022 and any later versions of that publication.<sup>3</sup>

Pre-award Costs: Pre-award costs, as defined at 2 C.F.R. § 200.458, may not be paid with funding from this grant.

Conflicts of Interest: For subrecipients only, Grantee understands and agrees that it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this grant. Grantee must disclose in writing to Treasury or the State, as appropriate, any potential conflict of interest affecting the granted funds in accordance with 2 C.F.R. § 200.112.

Compliance with Applicable Law and Regulations: Grantee agrees to comply with the requirements of section 602 of the Act, regulations adopted by Treasury pursuant to section 602(f) of the Act, guidance issued by Treasury regarding the foregoing, and all other restrictions and specifications set forth in or applicable through this agreement. Grantee also agrees to comply with all other applicable state and federal statutes, regulations, and executive orders, and Grantee shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this grant.

Federal regulations applicable to this grant include, without limitation, the following:

i. For subrecipients only, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this grant and subject to such exceptions as may be otherwise provided by Treasury. Excepting for-profit subrecipients, Subpart F – Audit Requirements of Uniform Guidance, implementing the Single Audit Act, shall apply to this grant;

ii. For subrecipients only, Universal Identifier and System for Award Management ("SAM"), 2 C.F.R. Part 25, pursuant to which the award term set forth at Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference;

iii. For subrecipients only, Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth at Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference;

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access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part."

<sup>3</sup> For subrecipients, in the case of an additional record-keeping requirement imposed by the State under 2 C.F.R. § 200.332(a)(3), this agreement shall be amended.

iv. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, and Treasury's implementing regulation at 31 C.F.R. Part 19, including both the requirement to comply with that part's Subpart C as a condition of participation in this transaction, and the requirement to pass the requirement to comply with that subpart to each person with whom the participant enters into a covered transaction at the next lower tier;

v. Recipient Integrity and Performance Matters, pursuant to which the award term set forth at 2 C.F.R. Part 200, Appendix XII, is hereby incorporated by reference;

vi. For subrecipients only, Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20;

vii. For subrecipients only, New Restrictions on Lobbying, 31 C.F.R. Part 21;

viii. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601–4655) and implementing regulations; and

ix. Generally applicable federal environmental laws and regulations.

Federal statutes and regulations prohibiting discrimination applicable to this grant include, without limitation, the following:

i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d *et seq.*) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;

ii. the Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 *et seq.*) which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;

iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;

iv. the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 *et seq.*) and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and

v. For subrecipients and local governments only, Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 *et seq.*), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

Remedial Actions: The State reserves the right to impose additional conditions or requirements on Grantee's receipt of this grant, as the State deems necessary or advisable, in order

to facilitate compliance with any existing or additional conditions or requirements imposed upon the State by Treasury for the State's receipt of ARPA funds. The State also reserves the right to seek recoupment or repayment of this grant in whole or in part, in the event that Treasury seeks recoupment or repayment of payments made to the State, for reasons relating to Grantee's acts or omissions respecting this grant. These reservations are expressed without limitation to any other rights the State may hold, either to impose additional conditions or requirements on Grantee's receipt of this grant or to recoup this grant in whole or in part, under this agreement or other applicable law.

Hatch Act: Grantee agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501–1508 and 7324–7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.

False Statements: Grantee understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.

Publications: Any publications produced with funds from this grant must display the following language: "This product [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to State of Missouri by the U.S. Department of the Treasury."

Debts Owed State and Federal Government: Any funds paid to Grantee (1) in excess of the amount to which Grantee is finally determined to be authorized to retain under the terms of this grant; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are determined by Treasury to be subject to a repayment obligation pursuant to sections 602(e) and 603(b)(2)(D) of the Act and have not been repaid by Grantee shall constitute a debt owed by the State to the federal government. In such instance, the funds constituting the State's debt to the federal government shall also constitute Grantee's debt to the State. Debts owed by Grantee to the State must be paid promptly by Grantee. A debt owed the State by Grantee under this agreement is delinquent if it has not been paid by the date specified in the State's initial demand for payment, unless other satisfactory arrangements have been made or if Grantee knowingly or improperly retains funds that are a debt as defined in this paragraph. The State will take any actions available to it to collect such a debt, including but not limited to actions available to it under the "Remedial Actions" paragraph found in this same section (I) above. The rights of the State as expressed in this paragraph are in addition to, and do not imply the exclusion of, any other rights the State may have under applicable law to collect a debt or seek damages from Grantee.

Disclaimer: In its award of federal financial assistance to the State, Treasury provides that the United States expressly disclaims any and all responsibility or liability to the State or third persons for the actions of the State or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract or subcontract under this award. Furthermore, in its award of federal financial assistance to the State, Treasury

also states that the acceptance of this award by the State does not in any way establish an agency relationship between the United States and the State. This disclaimer applies with equal force to this grant.

Protections for Whistleblowers: For grants to subrecipients exceeding \$250,000: In accordance with 41 U.S.C. § 4712, Grantee may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant. The list of persons and entities referenced in the statement above includes the following:

- i. a member of Congress or a representative of a committee of Congress;
- ii. an Inspector General;
- iii. the Government Accountability Office;
- iv. a Treasury employee responsible for contract or grant oversight or management;
- v. an authorized official of the Department of Justice or other law enforcement agency;
- vi. a court or grand jury;
- vii. a management official or other employee of the State or Grantee who has the responsibility to investigate, discover, or address misconduct.

Grantee shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

Increasing Seat Belt Use in the United States: Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Grantee should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

Reducing Text Messaging While Driving: Pursuant to federal Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), the State hereby encourages Grantee to adopt and enforce policies that ban text messaging while driving.<sup>4</sup>

**II.** By entering into this agreement, Grantee ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation,

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<sup>4</sup> Section I is based on requirements set forth in Treasury's Coronavirus State Fiscal Recovery Fund Award Terms and Conditions document, executed by the State on July 26, 2021.

denial of the benefits of, or subjection to discrimination under programs and activities receiving federal funds, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by Treasury Title VI regulations at 31 C.F.R. Part 22 and other pertinent executive orders such as federal Executive Order 13166; directives; circulars; policies; memoranda and/or guidance documents.

Grantee acknowledges that federal Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency,” seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English Proficiency (“LEP”). Grantee understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and Treasury’s implementing regulations. Accordingly, Grantee shall initiate reasonable steps, or comply with Treasury’s directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Grantee understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in Grantee’s programs, services, and activities.

Grantee agrees to consider the need for language services for LEP persons during development of applicable budgets and when conducting programs, services, and activities. As a resource, Treasury has published its LEP guidance at 70 FR 6067. For more information on LEP, please visit <http://www.lep.gov>.

Grantee acknowledges and agrees that compliance with this assurance constitutes a condition of continued receipt of federal financial assistance and is binding upon Grantee and Grantee’s successors, transferees, and assignees for the period in which such assistance is provided.

*Grantee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury’s Title VI regulations, 31 C.F.R. Part 22, which are herein incorporated by reference and made a part of this agreement. Title VI also includes protection to persons with “Limited English Proficiency” in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury’s Title VI regulations 31 C.F.R. Part 22, and herein incorporated by reference and made a part of this agreement.*

Grantee shall cooperate in any enforcement or compliance review activities by Treasury or the State of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. That is, Grantee shall comply with information requests, on-site compliance review, and reporting requirements.

Grantee shall maintain and provide to applicants, beneficiaries, their representatives, or any other party requesting the same, information on how to file a Title VI complaint of discrimination with the State of Missouri.

Grantee shall provide to the State documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between Grantee and the administrative agency that makes any such finding. If Grantee settles a case or matter alleging such discrimination, Grantee must provide to the State documentation of the settlement. If Grantee has not been the subject of any court or administrative agency finding of discrimination, Grantee shall so state.

The United States of America has the right to seek judicial enforcement of the terms of this assurances section and nothing in this section alters or limits the federal enforcement measures that the United States may take in order to address violations of this section or applicable federal law.

Under penalty of perjury, the undersigned certifies that he/she has read and understood this section's obligations as herein described, that any information submitted in conjunction with this assurance document is accurate and complete, and that Grantee is in compliance with the aforementioned nondiscrimination requirements.

By signing this certification, the undersigned represents his or her intention, and legal authorization, to do so on behalf of Grantee.<sup>5</sup>

Date:

Signature of Grantee's Authorized Representative

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Printed Name of Authorized Representative

**\*\*\*\*\*THE SECTIONS BELOW APPLY ONLY TO SUBRECIPIENTS\*\*\*\*\***

**III.** This grant to \_\_\_\_\_ ("Grantee") constitutes a subaward<sup>6</sup> of federal financial assistance<sup>7</sup> provided to the State of Missouri ("State") by the U.S. Department of

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<sup>5</sup> Section II is based on requirements set forth in Treasury's Assurance of Compliance with Civil Rights Requirements document, executed by the State on July 26, 2021.

<sup>6</sup> "Subaward" is defined at 2 C.F.R. § 200.1.

<sup>7</sup> "Federal financial assistance" is defined at 2 C.F.R. § 200.1.

the Treasury (“Treasury”) pursuant to Section 602(b) of the Social Security Act (“Act”), as added by Section 9901 of the American Rescue Plan Act (“ARPA”), Pub. L. No. 117-2 (March 11, 2021), 135 Stat. 4, 223–26. Grantee is a subrecipient<sup>8</sup> and the State is a pass-through entity<sup>9</sup> for purposes of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards set forth at 2 C.F.R. Part 200. The following is provided to Grantee pursuant to 2 C.F.R. § 200.332(a)(1):

- Subrecipient name (which must match the name associated with its unique entity identifier): \_\_\_\_\_.
- Subrecipient's unique entity identifier: \_\_\_\_\_.
- Federal Award Identification Number (FAIN): \_\_\_\_\_.
- Federal Award Date of award to the recipient by the Federal agency: \_\_\_\_\_.
- Subaward Period of Performance Start and End Date: \_\_\_\_\_.
- Subaward Budget Period Start and End Date: \_\_\_\_\_.
- Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient: \_\_\_\_\_.
- Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation: \_\_\_\_\_.
- Total Amount of the Federal Award committed to the subrecipient by the pass-through entity: \_\_\_\_\_.
- Federal award project description: ARPA appropriated \$195.3 billion for payments from the Coronavirus State Fiscal Recovery Fund (“SFRF”) to states through Treasury. Act § 602(a)(3)(A), ARPA § 9901, 135 Stat. 4, 224. Those monies are for states “to mitigate the fiscal effects stemming from the public health emergency with respect to [COVID-19].” Act § 602(a)(1), ARPA § 9901, 135 Stat. 4, 223. The State has received more than \$2.6 billion in ARPA SFRF funds, separate from local government allocations. In accordance with the budget passed by the Missouri legislature, the State intends that these funds be utilized for the purposes set forth in ARPA, consistent with other applicable federal law. As part of this effort, the State has elected to distribute a portion of its SFRF funding to appropriate subrecipients.

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<sup>8</sup> “Subrecipient” is defined at 2 C.F.R. § 200.1.

<sup>9</sup> “Pass-through entity” is defined at 2 C.F.R. § 200.1.



- Name of Federal awarding agency: U.S. Department of Treasury.
- Name of pass-through entity: State of Missouri.
- Contact information for awarding official of pass-through entity:
  - Name: \_\_\_\_\_.
  - Phone Number: \_\_\_\_\_.
  - Email Address: \_\_\_\_\_.
- Assistance Listings number and Title (pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement): \_\_\_\_\_.
- Identification of whether the award is R & D: \_\_\_\_\_.
- Indirect cost rate for the Federal award (including if the de minimis rate is charged) per § 200.414: \_\_\_\_\_.

**IV. For grants exceeding \$100,000:**

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 any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any 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.

(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 imposed by section 1352, title 31, U.S. Code. 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.

By signing this certification, the undersigned represents his or her intention, and legal authorization, to do so on behalf of Grantee.<sup>10</sup>

Date:

Signature of Grantee's Authorized Representative

Printed Name of Authorized Representative

V. In addition to the other authorities identified in this agreement, Grantee must comply with 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). The Uniform Guidance is an extensive body of federal rules, and so will not be recited here comprehensively. However, **Grantee must perform this agreement in compliance with the entirety of the Uniform Guidance, not just the provisions discussed in this section.**<sup>11</sup>

Beyond its definitions and acronym identifications (Subpart A), the Uniform Guidance contains five subparts. Subpart B, "General Provisions," includes a statement of purpose (which provides a general outline of the Part), 2 C.F.R. § 200.100, a provision on conflicts of interest (*see* Section III above), 2 C.F.R. § 200.112, and a provision on mandatory disclosures, 2 C.F.R. § 200.113. Subpart D, "Post Federal Award Requirements," itself covers a range of topics. 2 C.F.R. § 200.302 requires, *inter alia*, that "financial management systems . . . must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award." *Id.* at (a). 2 C.F.R. § 200.303 requires, *inter alia*, "[e]valuat[ion] and monitor[ing]" of "compliance with statutes, regulations and the terms and conditions of Federal awards," as well as the "[t]ak[ing] [of] prompt action when instances of noncompliance are identified including noncompliance identified in audit findings." *Id.* at (c) and (d), respectively. Subpart D also includes "Property Standards." 2 C.F.R. §§ 200.310–.327. These sections address Grantee's interaction

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<sup>10</sup> Section II is based on requirements set forth at 31 C.F.R. Part 21. Appendix A of that part sets forth this certification.

<sup>11</sup> 2 C.F.R. Part 200, Subpart F does not apply to for-profit entities. However, "[f]or-profit entities that receive SLFRF subawards . . . are subject to other audits as deemed necessary by authorized governmental entities, including Treasury and Treasury's [Office of Inspector General]." Treasury's *Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds*, published February 28, 2022 (Version 3.0), p.12, n.7. Such other audits may be imposed by the State. *Id.* *See also* 2 C.F.R. § 200.501. For-profit subrecipients shall comply with any audit requirements imposed by the State.

with equipment and real property, as well as providing standards for procurement. 2 C.F.R. § 200.329 addresses the monitoring and reporting of program performance. Beginning at 2 C.F.R. § 200.334, Subpart D lists numerous requirements for “Record Retention and Access,” which should be read in concert with the several terms and conditions of this agreement. Subpart E, “Cost Principles,” begins with provisions providing a basic framework for understanding and applying the bulk of these requirements. *See* 2 C.F.R. §§ 200.400 and .401. Subpart E includes a rule on “Reasonable Costs,” 2 C.F.R. § 200.404, which provides a definitional authority as well as primary factors for consideration. *Id.* This subpart also provides a considerable listing of “Selected Items of Cost,” and “General Provisions” for each. 2 C.F.R. §§ 200.420–.476. Subpart F is dedicated to the topic of audits. *See* 2 C.F.R. § 200.500 *et seq.* With certain qualifications, subrecipients are subject to audit pursuant to the federal Single Audit Act and this subpart of the Uniform Guidance. *See* n.12 above, and the authorities there cited.

**Special Terms and Conditions for Subrecipient  
Missouri ARPA Water Infrastructure Community Grant Program  
Grant Award Number:  
Entity Name:**

*The following are special terms and conditions in addition to the federal terms and conditions for subrecipients.*

**I. Administrative Terms**

1. **Method of Payment.** The recipient will be reimbursed by the Missouri Department of Natural Resources for all allowable expenses incurred in performing the scope of services. The recipient shall report project expenses and submit to the Department original payment requests as required per the financial assistance agreement. The form must be completed with the Department payment request amount and local cost share detailed. Payment requests must provide a breakdown of project expenses by contract line item. Payment requests must be received by the Department per the financial assistance agreement. No reimbursement will be made for expenditures prior to award unless approval for pre-award costs has been granted. No reimbursements will be made for expenditures incurred after the budget period end date unless a budget time period extension has been granted by the Department prior to the budget period end date.
  - a. The recipient agrees to submit the reimbursement form along with supporting documentation no more frequently than monthly. The Department will reimburse eligible invoices proportionally to the grants percentage of the total project cost. The recipient shall be responsible for local cost share funds to pay all remaining eligible invoice amounts. In addition, the recipient is responsible for paying any ineligible costs and costs that exceed the grant award amount listed on the Financial Assistance Agreement.
  - b. All payment requests must have the following certification by the authorized recipient official: By signing this report, I certify to the best of my knowledge and belief 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 financial assistance agreement. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.
  - c. The Department will not reimburse expenses under any contracts until the Department has reviewed and approved said contracts. The Uniform Act requires applicable contract clauses required by 2 CFR 200.327, and subrecipients must follow the procurement standards in 2 CFR 200.318 through 200.327, including ensuring that the procurement methods used for the contracts are appropriate.

- d. The recipient should submit documentation through the online web portal at:  
<https://moarpa.mo.gov>.
- 2. **Local Cost Share Funding:** Failure by the applicant to provide 100% of the local cost share that it committed to contribute to the project, as identified in the financial assistance agreement, may cause the recipient to become ineligible to receive additional financial assistance from the Department. Failure to provide the required local cost share may also result in other enforcement remedies as stated in the federal rules found in 2 CRF Part 200 Subpart D, "Post Federal Award Requirements".
- 3. **Changes in Budget, Scope of Work, or Period of Performance:** The following is a non-exhaustive listing of when a recipient must request approval from the Department, in writing, to amend project budgets, scope of work, or period of performance:
  - a. For any budget revision, which would result in the need for additional funds. The request must include an acceptable justification for the increase, such as materials cost increase.
  - b. When contracting out, subgranting, or otherwise obtaining a third party to perform activities which are central to the purpose of the award
  - c. To extend the budget or payment periods listed in the financial assistance agreement. For these extensions, the recipient must notify the Department in writing. The request must include justification for the extension request, and a revised period of performance at least 90 calendar days before the end of the period of performance specified in the financial assistance agreement.
- 4. **Disputes:** The recipient and the Department should attempt to resolve disagreements concerning the administration or performance of the financial assistance agreement. If an agreement cannot be reached, the Department will provide a written decision. Such decision of the Department shall be final unless a request for review is submitted to the Division Director within ten (10) business days after the decision. Such request shall include: (1) a copy of the Department's final decision; (2) a statement of the amount in dispute; (3) a brief description of the issue(s) involved; and (4) a concise statement of the objections to the final decision. A decision by the Department shall constitute final action.
- 5. **Termination:**
  - a. Termination for Cause: The Department may terminate any financial assistance agreement, in whole or in part, at any time before the date of completion, whenever it is determined that the recipient has failed to comply with the terms and conditions of the financial assistance agreement. The Department shall promptly notify the recipient in writing of such a determination and the reasons for the termination, together with the effective date. The Department reserves the right to withhold all or a portion of agreement funds if the recipient violates any term or condition of this financial assistance agreement. Termination for cause may be considered for evaluating future applications. The recipient may object to

terminations with cause and may provide information and documentation challenging the termination.

- b. Termination for Convenience: Both the Department and the recipient may terminate the financial assistance agreement, in whole or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds.
  - c. Financial Assistance Agreements are not transferable to any person or entity.
  - d. Department and recipient remain responsible for compliance with all closeout requirements.
6. **Enforcement; Remedies for Noncompliance:** If the recipient falsifies any award document or materially fails to comply with any term of this financial assistance agreement, the Department may take one or more of the following actions, as appropriate:
- a. Suspend or terminate, in whole or part, the current agreement;
  - b. Disallow all or part of the cost of the activity or action not in compliance;
  - c. Temporarily withhold cash payments pending the recipient's correction of the deficiency;
  - d. Withhold further awards from the recipient;
  - e. Order the recipient not to transfer ownership of equipment purchased with assistance money without prior Department approval; or
  - f. Take other remedies that may be legally available, including cost recovery, breach of contract, and suspension or debarment.
7. The recipient agrees to ensure that all space for conferences, meetings, conventions or training funded in whole or in part with Federal funds comply with the Hotel and Motel Fire Safety Act of 1990.
8. The recipient agrees to follow the requirements set out in Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. § 6962). RCRA Section 6002 states that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in the guidelines contained in 40 CFR 247.
9. The recipient agrees that funds expended for the purposes of this subgrant must be appropriated and made available by the Missouri General Assembly for each fiscal year included within the subgrant period. Therefore, the subgrant shall automatically terminate without penalty or termination costs if such funds are not appropriated and/or granted. In the event that funds are not appropriated and/or granted for the subgrant, the subgrantee

shall not prohibit or otherwise limit DNR's right to pursue alternate solutions and remedies as deemed necessary for the conduct of state government affairs. The requirements stated in this paragraph shall apply to any amendment or the execution of any option to extend the subgrant.

## **II. Programmatic Terms**

1. The recipient agrees to meet the project schedule provided with the funding application or the most recent amended schedule approved by the Department project manager unless justifiable delays occur due to unexpected circumstances. Whenever significant schedule changes occur, the recipient will provide the Department project manager with an amended schedule and an explanation for the changes.
2. In accordance with 34.057 RSMo., the recipient agrees to make prompt payment to its contractor(s) of sums due under this funding agreement and to retain only amounts as may be justified by specific circumstances and provisions of this funding agreement or the construction contract(s).
3. The recipient agrees that a manual or manuals describing the proper operation and maintenance of each system will be prepared prior to works in operation.
4. Generally Accepted Accounting Principles. The recipient shall maintain project accounts in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets.

## **III. Preaward**

Costs incurred prior to the signing of the grant award may be reimbursed under specific circumstances.

- a. The costs must fall within all general eligibility requirements that are applicable to costs incurred after grant award. This includes state and federal procurement requirements for engineering expenses.
- b. Costs must be preapproved by the Department and must have been incurred after March 03, 2021.
- c. Costs must be consistent with 2 CFR 200.458