STATE OF MINNESOTA

GRANT CONTRACT AGREEMENT No.: XXXX

This grant contract agreement is between the State of Minnesota, acting through the Department of Employment and Economic Development ("State"), and [Enter full name and address of grantee] ("Grantee").

# Recitals

1. Under Minn. Stat. §116J.035 the State is empowered to enter into this grant.
2. The State is in need of [Add a brief narrative of the purpose of the grant].
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract agreement to the satisfaction of the State. Pursuant to [Minn. Stat. §16B.98](https://www.revisor.mn.gov/statutes/?id=16B.98), Subd.1, the Grantee agrees to minimize administrative costs as a condition of this grant.

# Grant Contract Agreement

## Term of Grant Contract Agreement

### Effective date

Month, XX, XXXX, or the date the State obtains all required signatures under [Minn. Stat. §16B.98](https://www.revisor.mn.gov/statutes/?id=16B.98), Subd. 5, whichever is later. Per [Minn. Stat.§16B.98](https://www.revisor.mn.gov/statutes/?id=16B.98), Subd. 5*,* the Grantee must not begin work until this grant contract agreement is fully executed and the State's Authorized Representative has notified the Grantee that work may commence. Per [Minn. Stat. §16B.98](https://www.revisor.mn.gov/statutes/?id=16B.98) Subd. 7, no payments will be made to the Grantee until this grant contract agreement is fully executed.

### ***Expiration date***

Month, XX, XXXX, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

### ***Survival of Terms***

The following clauses survive the expiration or cancellation of this grant contract: 11. Liability; 12. State Audits; 13. Government Data Practices and Intellectual Property Rights; 15. Publicity and Endorsement; 16. Governing Law, Jurisdiction, and Venue; and 18. Data Disclosure.

## Grantee’s Duties

The Grantee, who is not a state employee, will comply with required grants management policies and procedures set forth through [Minn. Stat. §16B.97](https://www.revisor.mn.gov/statutes/?id=16B.97), Subd. 4 (a) (1). The Grantee will perform the duties specified in Exhibit 1 – Work Plan, which is attached and incorporated into this grant contract agreement. Any portion of the work plan that has been altered, modified, or otherwise changed must be approved by the State and shall be considered a modification and become attached to and part of this grant contract agreement.

## Time

The Grantee must comply with all the time requirements described in this grant contract agreement. In the performance of this grant contract agreement, time is of the essence.

## Consideration and Payment

### Consideration.

The State will pay for all services performed by the Grantee under this grant contract agreement as follows

#### Compensation

The Grantee will be paid according to the breakdown of the costs contained in Exhibit 2 – Budget which is attached and incorporated into this grant contract agreement.

#### Travel Expenses

Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant contract agreement will not exceed the amount designated in Exhibit 2; provided that the Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner’s Plan” promulgated by the Commissioner of Minnesota Management and Budget (MMB). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State’s prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.

#### Total Obligation.

The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract agreement will not exceed $X,XXX,XXX.

### Payment

#### Invoices

The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must correspond to the line items in the approved grant contract agreement budget included here as Exhibit 2 – Budget. Invoices must be submitted timely and according to the following schedule: (by the 20th of each month for the preceding month).

#### Unexpended Funds

The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.

#### Limits to Reimbursement

The State **shall not reimburse** Grantee for payments or liabilities to the Unemployment Compensation Fund incurred as a reimbursing employer after termination of Grantee’s participation in programs for any liability accrued thereunder before or after the effective date of this grant contract agreement.

### Purchasing, Contracting and Bidding Requirements

1. Any services and/or materials that are expected to cost $100,000 or more must undergo a formal notice and bidding process.
2. Services and/or materials that are expected to cost between $25,000 and $99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.
3. Services and/or materials that are expected to cost between $10,000 and $24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.
4. The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:
   1. [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](http://www.mmd.admin.state.mn.us/process/search/)
   2. Metropolitan Council’s Underutilized Business Program: MCUB: [Metropolitan Council Underutilized Business Program](https://mcub.metc.state.mn.us/)
   3. Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: [Central Certification Program](https://www.stpaul.gov/departments/human-rights-equal-economic-opportunity/contract-compliance-business-development/central)
5. The grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
6. The grantee must maintain support documentation of the purchasing and/or bidding process utilized to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.
7. Notwithstanding (a) - (d) above, the State may waive bidding process requirements when:
   1. Vendors included in response to competitive grant request for proposal process were approved and incorporated as an approved work plan for the grant
   2. It is determined there is only one legitimate or practical source for such materials or services and that grantee has established a fair and reasonable price.
8. For projects that include construction work of $25,000 or more, prevailing wage rules apply per [Minn. Stat. §§177.41](https://www.revisor.leg.state.mn.us/statutes/?id=177.41) through [177.44](https://www.revisor.leg.state.mn.us/statutes/?id=177.44). Consequently, the bid request must state the project is subject to prevailing wage. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals.
9. The grantee must not contract with vendors who are suspended or debarred in MN: <http://www.mmd.admin.state.mn.us/debarredreport.asp>
10. Any purchase of non-expendable personal property that has a useful life of more than one year with a unit cost of $5,000 or more must be determined necessary to meet their work plan objectives, reasonable, and have prior written approval of the State before purchase.

## Reporting Requirements

Grantee agrees to provide the State with such progress reports, including, but not limited to the following:

1. Expenditure and program income including any profit earned must be reported on an accrual basis.
2. Progress Reports will be submitted quarterly and include reporting on outcomes (See Exhibit 3 – Terms & Conditions, Section 3, “Items required during the Grant Period, ” which is attached and incorporated into this grant contract agreement).
3. Financial Reports will be submitted monthly (See Exhibit 3 – Terms & Conditions, Section 3, “Items required during the Grant Period”).
4. Information will be provided as may be deemed necessary to complete the Annual Report to the U.S. Department of Labor as described in the Workforce Investment Act, Section 136(d) (1), (2).
5. Special reports will be provided as requested.
6. Use of the Management Information System (as described in 6 below).
7. Grantee shall also make such reports to the Secretary of Labor, the Comptroller General of the United States, and others as applicable.

The State shall withhold funding if reporting requirements are not met in a complete, accurate, and timely manner.

## Management Information System

All Grantees must track participants and financial information using an approved management information system. Workforce One (WF1) is DEED’s customary Case Management System and data must be submitted per the standards and time frames stipulated by the State. Grantees receiving funds under the Senior Community Service Employment Program will track participants with the “SCSEP Performance and Results QPR” system (SPARQ system), or its successor. The State shall withhold funding if data compliance requirements are not met in a complete, accurate, and timely manner.

## Conditions of Payment

All services provided by the Grantee under this grant contract agreement must be performed to the State’s satisfaction, as determined at the sole discretion of the State’s Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

## Monitoring and Corrective Action

Grantee agrees to permit monitoring by the State to determine grant contract agreement performance and compliance with grant contract agreement provisions. Grantee further agrees to cooperate with the State in performing and completing such monitoring activities and Grantee agrees to implement and comply with such remedial action as is proposed by the State. Grantee must provide any financial records, timesheets, or other supporting documentation, upon the request of the State.

## Authorized Representative

The State's Authorized Representative is Marc Majors, Director, Employment & Training Programs Division, 332 Minnesota Street, St. Paul, MN 55101; marc.majors@state.mn.us, or his successor, and has the responsibility to monitor the Grantee’s performance and the authority to accept the services provided under this grant contract agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee’s Authorized Representative is [Name, Title, Address, Phone Number, Email]. If the Grantee’s Authorized Representative changes at any time during this grant contract agreement, the Grantee must immediately notify the State.

## Assignment, Amendments, Waiver, and Grant Contract Agreement Complete

### Assignment

The Grantee shall neither assign nor transfer any rights or obligations under this grant contract agreement without the prior written consent of the State, approved by the same parties who executed and approved this grant contract agreement, or their successors in office.

### Amendments

Any amendments to this grant contract agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract agreement, or their successors in office.

### Waiver

If the State fails to enforce any provision of this grant contract agreement, that failure does not waive the provision or the State’s right to enforce it.

### Grant Contract Agreement Complete

This grant contract agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract agreement, whether written or oral, may be used to bind either party.

## Liability

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney’s fees incurred by the State, arising from the performance of this grant contract agreement by the Grantee or the Grantee’s agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant contract agreement.

## State Audits

Under [Minn. Stat. § 16B.98](https://www.revisor.mn.gov/statutes/?id=16B.98), Subd.8, the Grantee’s books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant contract agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## Government Data Practices and Intellectual Property Rights

### Government Data Practices

The Grantee and State must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](https://www.revisor.leg.state.mn.us/statutes/?id=13), as it applies to all data provided by the State under this grant contract agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract agreement. The civil remedies of [Minn. Stat. §13.08](https://www.revisor.leg.state.mn.us/statutes/?id=13.08) apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee’s response to the request shall comply with applicable law.

### Intellectual Property Rights

The Grantee represents and warrants that Grantee’s intellectual property used in the performance of this grant contract agreement does not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 11, the Grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Grantee’s expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of Grantee’s intellectual property used in the performance of this grant contract agreement infringe upon the intellectual property rights of others. The Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Grantee’s or the State’s opinion is likely to arise, the Grantee must, at the State’s discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing intellectual property as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

## Workers Compensation

The Grantee certifies that it is in compliance with [Minn. Stat. §176.181](https://www.revisor.leg.state.mn.us/statutes/?id=176.181), Subd. 2, pertaining to workers’ compensation insurance coverage. The Grantee’s employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers’ Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State’s obligation or responsibility.

## Publicity and Endorsement

### Publicity

Any publicity regarding the subject matter of this grant contract agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State’s Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract agreement. All projects primarily funded by state grant appropriation must publicly credit the State of Minnesota, including on the grantee’s website when practicable.

### Endorsement

The Grantee must not claim that the State endorses its products or services.

## Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant contract agreement. Venue for all legal proceedings out of this grant contract agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

## Termination

### Termination by the State

The State may immediately terminate this grant contract agreement with or without cause, upon 30 days’ written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

### Termination for Cause

The State may immediately terminate this grant contract agreement if the State finds that there has been a failure to comply with the provisions of this grant contract agreement, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

### Termination for Insufficient Funding

The State may immediately terminate this grant contract agreement if:

1. It does not obtain funding from the Minnesota Legislature.
2. Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State’s receiving that notice.

### In the event of cancellation

In the event of any cancellation under this provision, the Grantee shall cooperate fully with the State and help facilitate any transition for the provision of services by a different vendor. Failure to cooperate with or withholding any information or records requested by the State or a different vendor that impairs in any way the transition of the provision of services shall constitute a material breach of this grant contract agreement, subjecting Grantee to liability for all damages incurred by the State resulting from such breach.

## Data Disclosure

Under [Minn. Stat. § 270C.65](https://www.revisor.leg.state.mn.us/statutes/?id=270C.65), Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

## Conflicts of Interest

The State will take steps to prevent individual and organizational conflicts of interest in reference to Grantees per [Minn.Stat.§16B.98](https://www.revisor.mn.gov/statutes/?id=16B.98) and Department of Administration, Office of Grants Management, Policy Number 08-01 [Grants Management Policies, Statutes, and Forms / Minnesota.gov (mn.gov)](https://mn.gov/admin/government/grants/policies-statutes-forms/). When a conflict of interest concerning State grant-making is suspected, disclosed, or discovered, transparency shall be the guiding principle in addressing it.

In cases where a potential or actual individual or organizational conflict of interest is suspected, disclosed, or discovered by the Grantee throughout the life of the grant contract agreement, they must immediately notify the State for appropriate action steps to be taken, as defined above.

The Grantee must complete a Conflict of Interest Disclosure agreement and attach it to their proposal.

**20 Equal Opportunity, Americans with Disabilities Act, and Minnesota Human Rights Act**

The Grantee agrees to comply with all nondiscrimination assurances described in: [Section 188 of the Workforce Innovation and Opportunity Act (WIOA)](https://www.dol.gov/agencies/oasam/centers-offices/civil-rights-center/statutes/section-188-workforce-innovation-opportunity-act); the [Americans with Disabilities Act, as amended (ADA), Title I and Title II, as amended](https://www.ada.gov/pubs/adastatute08.pdf); and, the [Minnesota Human Rights Act](https://www.revisor.mn.gov/statutes/cite/363A).

## 21 Terms and Conditions

## [Include any other provisions as determined necessary by program staff and approved by agency fiscal staff, often in the form of an Exhibit]

# Signatures

**1. STATE ENCUMBRANCE VERIFICATION**

*Individual certifies that funds have been encumbered as required by Minn. Stat.* § 16A.15

By:

Title:

Date:

SWIFT Contract/PO No(s).

**2. GRANTEE**

*The Grantee certifies that the appropriate person(s) have executed the grant contract agreement on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.*

By:

Title:

Date:

By:

Title:

Date:

**3. STATE: MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT**

By:

(with delegated authority)

Title:

Date: