

STATE OF WASHINGTON
DEPARTMENT OF LABOR & INDUSTRIES
SHIP GRANT AWARD
TO

The Goal of the Safety and Health Investment Projects (SHIP) Program is to identify, fund, and assist with implementation of safety and health projects that are designed to eliminate workplace injuries, illnesses, and fatalities because one injury, one illness, one fatality is one too many.

This grant is made and entered into by and between the Washington State Department of Labor & Industries (hereinafter called "L&I"), PO Box 44612 Olympia Washington 98504-4612 and

(Grantee's Legal Name) Telephone: _____

(Grantee's Address) Facsimile: _____

(Grantee's Address) E-mail: _____

(hereinafter called "Grantee").

Project Title: _____

Project Number: _____ **SHIP Approval Date:** _____

1. PURPOSE

SHIP grants provide funding for safety and health projects for workplaces covered by the medical aid fund, and priority is given to projects involving accident prevention through cooperation between employers and employees or their representatives.

The purpose of this specific grant is described in the approved *SHIP Application (Application)*, which includes the *Project Description and Work Plan (PDWP)*, and is included herein.

In consideration of the terms and conditions contained herein, the parties agree as follows:

SPECIAL TERMS & CONDITIONS

2. DESCRIPTION OF PROJECT and STATEMENT OF WORK

The Grantee shall furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to the performance of work described and set forth in the approved *Application and PDWP*, Attachment B attached hereto and incorporated herein.

The Grantee shall undertake the Project as described in this Grant, the Grantee's application, and in accordance with the Grantee's proposed goals and objectives described in the application or documents submitted with the application, all as finally approved by SHIP. All submitted documents are incorporated by this reference as if fully set forth herein.

Timely completion of the Project is important. Failure to do so, as set out in this Grant, is a material breach of the Grant.

Should it be determined, at any time during the term of the Grant, that information contained within the applicant's application response are contradictory, L&I shall have the right to enforce the Grant based on the applicant's response considered most beneficial to L&I as determined by L&I.

2.1. Responsibility for Project

While L&I undertakes to assist the Grantee with the Project by providing funding pursuant to this Grant, the Project itself remains the sole responsibility of the Grantee. L&I's SHIP program undertakes no responsibilities to the Grantee, or to any third party, other than as is expressly set out in this Grant. The responsibility for the implementation of the Project, as those phases are applicable to this Project, is solely that of the Grantee, as is responsibility for any claim or suit of any nature by any third party related in any way to the Project.

2.2. Application Representations - Misrepresentations or Inaccuracy or Breach

The SHIP program and L&I rely upon the Grantee's application in making its determinations as to eligibility for, selection for, and scope of, funding grants. Any misrepresentation, error or inaccuracy in any part of the application may be deemed a breach of this Grant.

3. TERMS AND CONDITIONS

All rights and obligations of the parties to this grant shall be subject to and governed by the following: *Special Terms & Conditions* contained in the text of this Grant; the *General Terms and Conditions*, Attachment A, the approved *Application and PDWP*, Attachment B, and the *Reporting Dates and Payment Schedule*, Attachment C, which is attached hereto and incorporated herein, and the *Application* and the Grantee's *PDWP*, which are incorporated by reference herein.

4. PERIOD OF PERFORMANCE

Regardless of the date of signature and subject to its other provisions, this grant shall begin on _____, (effective date) and end on _____, unless terminated sooner or extended by L&I as provided herein.

4.1. No work can begin, no amounts may be encumbered, and no award payments will be made prior to the effective date.

4.1.1. No expenditure made, or obligation incurred, by the Grantee before the effective date of this Grant shall be eligible for grant funds, in whole or in part, unless specifically provided for by L&I policy.

4.1.2. No expenditure made, or obligation incurred, following the conclusion of grant activities shall be eligible, in whole or in part, for grant funds hereunder. In addition to any remedy L&I may have under this Grant, the amounts identified in this Grant shall be reduced to exclude any such expenditure from participation.

4.1.3. The dollar amounts identified in this Grant may be reduced as necessary to exclude any such expenditure from reimbursement.

4.2. Grant Project & Milestone Due Dates

The project timelines set forth in the *Application and PDWP*, Attachment B, and in *Reporting Dates and Payment Schedule*, Attachment C, are the timelines of this grant project unless terminated sooner or extended by L&I.

5. EXTENSION CONTINGENCY

An extension shall be at the exclusive option of L&I and shall be affected by L&I giving written notice of extension. No change in terms and conditions shall be permitted during these extensions unless specifically set forth in the grant and the total compensation shall remain firm and fixed.

6. COMPENSATION

L&I shall pay an amount not to exceed **\$\$\$** for the performance of all things necessary for or incidental to the performance of work as set forth in the approved *Application and PDWP*, Attachment B, which is attached hereto and incorporated by reference herein.

- 6.1. The Grantee agrees that L&I shall **NOT** be responsible for any additional costs or expenses incurred by Grantee in the performance of work described in this Agreement, which include but are not limited to travel, lodging, meals, and other miscellaneous expenses otherwise incurred by the Grantee. Compensation for a milestone shall be up to but shall not exceed the budgeted cost for a milestone regardless of hours worked or other expenses related to a milestone. Any variance shall be justified to L&I's Grant Manager who shall have discretion to approve/disapprove compensation for such variance.
- 6.2. In the event additional funds become available, any grant awarded may be renegotiated to provide for additional services subject to satisfactory completion of a previous phase.
- 6.3. **Project Reimbursements**
- 6.3.1. Compliance and Payment. The obligation of L&I to pay any amount(s) under this Grant is expressly conditioned upon strict compliance with the terms of this Grant by the Grantee.
- 6.3.2. Compliance and Retainage. L&I reserves the right to withhold disbursement of the final ten percent (10%) of the total amount of the grant to the Grantee until the Project has been completed and approved by the Assistant Director or his or her designee. A Project is considered "complete" when:
- 6.3.2.1. All approved or required activities outlined in the Grant are complete;
 - 6.3.2.2. On-site signs are in place (if applicable);
 - 6.3.2.3. A final Project report is submitted to and approved by L&I with the Grantee's final request for reimbursement, if any;
 - 6.3.2.4. The completed Project has been approved by L&I;
 - 6.3.2.5. All products of the Project are turned over to L&I;
 - 6.3.2.6. Final amendments, if any, have been processed; and
 - 6.3.2.7. Fiscal transactions are complete.
- 6.3.3. Invoice Frequency. Invoices are usually required with each Milestone report, generally once a quarter, unless otherwise specified by L&I. The fiscal year-end invoice should include expenditures through June 30, the last day of the State's fiscal year and be submitted no later than July 15th. Final reimbursement requests should be submitted to L&I within ninety (90) days of the completion of the Project, funding end date, or the termination date, whichever comes first.
- 6.4. Any funds forwarded to the grantee may not be commingled with any other funds and must be held in a non-interest bearing account.
- 6.5. **Recovery of Payments**
In the event that the Grantee fails to expend funds under this Grant in accordance with state laws, and/or the provisions of the Grant, L&I reserves the right to recover grant award funds in the amount equivalent to the extent of noncompliance in addition to any other remedies available at law or in equity.
- The Grantee shall reimburse L&I for any overpayment or erroneous payments made under the Grant. Repayment by the Grantee of such funds under this recovery provision shall occur within 30 days of demand by L&I.

6.6. Funding to the SHIP program has been appropriated for the current biennium. Funding for the next and any future biennium is contingent upon appropriation by the Washington State Legislature. If funding is not appropriated or is withdrawn, this grant shall be terminated the last day of the biennium for which appropriation has been approved. Only Milestones or portions of Milestones completed by the end of the biennium shall be considered by L&I for payment.

7. BILLING PROCEDURES

L&I will pay the Grantee within 30 calendar days of receipt of properly executed invoice vouchers. Requests for payment under this grant shall be submitted by the Grantee on a Certified State Invoice Voucher (Form A-19) provided, or similar. Invoices shall include such information as is necessary for L&I to determine the date and exact nature of all expenditures. Each voucher will clearly reference **SHIP Grant Number** _____ and the Grantee's Statewide Vendor Registration number assigned by Washington State Office of Financial Management (OFM). **Vouchers shall be submitted to L&I's Grant Manager.**

Payment shall be made after acceptance by L&I's Grant Manager of each milestone as described in the Statement of Work. No payment in advance or in anticipation of services or supplies under this grant shall be made by L&I. Claims for payment submitted by the Grantee to L&I for costs due and payable under this grant that were incurred prior to the expiration date shall be paid to the Grantee, if received by L&I within 90 days after the expiration date.

7.1. Statewide Vendor Registration. The Washington State Office of Financial Management (OFM) maintains a central contractor registration file for Washington State agencies to use for processing contractor/grantee payments. This allows many grantees to receive payments by direct deposit. Grantees are required to be registered in the Statewide Vendor Payment system, www.ofm.wa.gov/isd/vendors, prior to submitting a request for payment under this Grant. No payment shall be made until the registration is completed.

7.2. Timely payment. Payment by L&I will be considered timely if it is postmarked or deposited within 30 days of the following, whichever is later:

- Receipt of properly executed invoice vouchers;
- Acceptance of milestones by L&I; or
- Statewide Vendor Registration.

8. ASSURANCES

L&I and the Grantee agree that all activity pursuant to this grant will be in accordance with all the applicable federal, state and local laws, rules, regulations and L&I policy, which includes Chapter 49.17 and 51 RCW, Chapter 296 WAC, Chapter 296-900-175 WAC.

The Grantee shall comply with, and L&I is not responsible for determining compliance with, any and all applicable federal, state, and local laws, regulations, and/or policies, including, but not limited to, industrial insurance coverage requirements, federal and state safety and health regulations (Occupational Safety and Health Administration/Washington Industrial Safety and Health Act), and federal and state labor and employment laws. The Grant may be rescinded, cancelled, or terminated in whole or in part, and the Grantee may be declared ineligible for further grant awards from L&I if required laws are violated. The Grantee is responsible for any and all costs or liability arising from the Grantee's failure to so comply with applicable law.

9. GOVERNANCE

This grant shall be construed and interpreted in accordance with the laws of the state of Washington and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

In the cases where this Grant is between L&I and a federally recognized Indian tribe, the following Governing Law/Venue applies:

- 9.1. The State of Washington agrees that it shall initiate any lawsuit against a federally recognized Indian tribe arising out of or relating to the performance, breach or enforcement of this Grant in Federal Court. Interpretation shall be according to the law of the State of Washington. In the event that the Federal Court determines that it lacks subject matter jurisdiction to resolve the dispute between the State and Tribal Party, then the parties agree to venue in Thurston County Superior Court, but the parties agree that the matter shall not be pursued in superior court unless there is a Federal Court determination that it lacks subject matter jurisdiction.
- 9.2. Any judicial award, determination, order, decree or other relief, whether in law or equity or otherwise, resulting from the action shall be binding and enforceable upon the parties. Any money judgment or award against the Tribe, tribal officers and members, or the State of Washington and its officers and employees may not exceed the amount approved in writing by L&I.
- 9.3. The Tribe hereby waives its sovereign immunity as necessary to give effect to this section, and the State of Washington has waived its immunity to suit in state court. These waivers are only for the benefit of the Tribe and State and shall not be enforceable by any third party or by any assignee or delegate of the parties. In any enforcement action, the parties shall bear their own enforcement costs, including attorneys' fees.

10. ORDER OF PRECEDENCE

The items listed below are incorporated by reference herein. In the event of an inconsistency in this Grant, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order:

- 10.1. Applicable Federal and Washington State Statutes and Regulations;
- 10.2. State of Washington WAC 296-900-175, Safety and Health Investment Projects,
- 10.3. *Special Terms & Conditions* as contained in this Grant;
- 10.4. *General Terms & Conditions*, Attachment A;
- 10.5. Final approved *Application and PDWP, Attachment B and Reporting Dates and Payment Schedule, Attachment C* ;
- 10.6. Grantee's application, dated _____, 20____;
- 10.7. Any other provisions of the grant incorporated by reference or otherwise.

11. SEVERABILITY

If any provision of this grant or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this grant which can be given effect without the invalid provision, or part thereof if such remainder conforms to the terms and requirements of applicable law and the intent of this Grant, and to this end the provisions of this grant are declared to be severable.

12. GRANTEE'S PROPRIETARY INFORMATION

The Grantee acknowledges that L&I is subject to chapter 42.56 RCW, the Public Records Act, and that this grant shall be a public record as defined in RCW 42. 56. Any specific information submitted to L&I and claimed by the Grantee to be confidential or proprietary, must be clearly identified as such by the Grantee. To the extent consistent with chapter 42.56 RCW, L&I shall maintain the confidentiality of all such information marked confidential or proprietary. If a request is made to view the Grantee's proprietary information and L&I intends to release the information, L&I will notify the Grantee of the request and notify the Grantee of the date that such records will be released to the requester. It will be the responsibility of the Grantee to obtain any necessary court order enjoining that disclosure. If the Grantee fails to obtain the court order enjoining disclosure, L&I will release the requested information.

13. GRANT MANAGEMENT

The Grantee's Project Manager and L&I's Grant Manager shall be responsible for and shall be the contacts for all communications and billings regarding the performance of this Grant.

| The Project Manager for the Grantee is: | The Grant Manager for L&I is: |
|---|----------------------------------|
| _____ | _____ |
| <i>(Grant Manager's Name)</i> | <i>(Grant Manager's Name)</i> |
| _____ | Department of Labor & Industries |
| <i>(Grantee's Name)</i> | PO Box 44612 |
| _____ | Olympia WA 98504-4612 |
| <i>(Grant Manager's Address)</i> | Phone: <u>(360) 902-</u> _____ |
| _____ | Fax: <u>(360) 902-4600</u> |
| <i>(Grant Manager's Address)</i> | E-mail: <u>235@lni.wa.gov</u> |
| Phone: <u>() -</u> _____ | |
| Fax: <u>() -</u> _____ | |
| E-mail: _____ | |

From time to time the SHIP Grant Manager may request project activity updates, interim reports, or answers to specific questions relating to the grant or grant activities. The Grantee's Project Manager will provide such information as requested. If conditions exist that prevent timely response the Grantee's Project Manager shall immediately notify the SHIP Grant Manager of the difficulty and negotiate a date to comply with the request. Failure to provide timely responses is a material breach of this agreement.

14. ALL WRITINGS CONTAINED HEREIN

This grant consists of _____ (_____) pages and sets forth in full all the terms and conditions agreed upon by the parties. Unless referenced within this grant, any other agreement, representation, or understandings, verbal or otherwise, regarding the subject matter of this grant shall be deemed to be null and void and of no force and effect whatsoever.

IN WITNESS WHEREOF, the parties have executed this Agreement.

(Grantee's Legal Name)

(Signature)

(Date)

(Print Name)

(Title)

(Federal Identification/Social Security Number)

(Washington State UBI Number)

State of Washington
Division of Occupational Safety and Health
Department of Labor & Industries

Anne F. Soiza
Assistant Director

(Date)

ATTACHMENT A
GENERAL TERMS AND CONDITIONS

15. DEFINITIONS

As used throughout this Grant, the following terms shall have the meanings set forth below:

- **Applicant** - Any entity that meets the qualifying standards, including deadlines, for submission of an application soliciting a grant of funds from the SHIP program.
- **Application** - The forms and support documents approved by L&I or its Director for use by applicants in soliciting project funds administered by L&I.
- **Asset** - Equipment purchased by the Grantee or acquired or transferred to the Grantee for the purpose of this Grant. This definition is restricted to non-fixed assets, such as vehicles, computers or machinery.
- **Assistant Director (AD)** - The Assistant Director for the Division of Occupational Safety and Health.
- **Authorizing Official** -- An Authorizing Official is an official of the Grantee who has authority to legally bind the organization. This official may or may not be the Grantee's designated Project Manager.
- **Contractor or Subcontractor** - shall mean one not in the employment of the Grantee who is performing all or part of the eligible activities for this project under a separate Agreement with the Grantee. The term "Contractor" and "Contractors" and "Subcontractor" and "Subcontractors" means Contractor(s) in any tier.
- **Director** - The Director of the Department of Labor and Industries or the Director's designee.
- **DOSH** - Division of Occupational Safety and Health, Department of Labor and Industries
- **Grant** - The accord accepted by all parties to the present transaction; the SHIP Grant, SHIP Application, monitoring plan, budgets, and/or other attachments between L&I and a Grantee.
- **Grantee** - The applicant who has been awarded a grant of funds and is bound by this executed Grant; includes its officers, employees and agents.
- **L&I** - Department of Labor and Industries
- **Milestone** - Important date(s) of accomplishment tracked in the Grant for monitoring the Project status.
- **Project** - The undertaking that is the subject of this Grant and that is, or may be, funded in whole or in part with funds administered by the SHIP program on behalf of L&I.
- **Project Description and Work Plan** - PDWP, or project plan, including itemized budget, described in Grantee's SHIP Application.
- **SHIP** - Safety and Health Investment Projects.
- **SHIP Advisory Committee** - Committee representing business, labor and other stakeholders appointed by L&I to assist with review and approval of grant applications.
- **SHIP Program** - Program in the Division of Occupational Safety and Health designated by L&I to administer safety and health grants.

16. INDEPENDENT CAPACITY OF THE GRANTEE

The parties intend that an independent Grantee relationship will be created by this Grant. The Grantee and its employees or agents performing under this grant are not employees or agents of L&I. The Grantee will not hold itself out as, nor claim to be, an officer or employee of L&I or of the state of Washington by reason of this Grant, nor will the Grantee make any claim of right, privilege or benefit which would accrue to such employee under law. Conduct and control of the work will be solely with the Grantee.

17. NONDISCRIMINATION & CIVIL RIGHTS

During the performance of this Grant, the Grantee shall comply with all federal and state nondiscrimination laws, regulations and policies. In the event of the Grantee's noncompliance or refusal to comply with any nondiscrimination law, regulation, or policy this grant may be rescinded, canceled, or terminated in whole or in part, and the Grantee may be declared ineligible for further grants with L&I. The Grantee shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the *Disputes* clause set forth herein.

18. ASSIGNABILITY

The work to be provided under this Grant, and any claim arising thereunder, shall not be assigned or delegated by either party in whole or in part, without the express prior written consent of the other party, which consent shall not be unreasonably withheld.

19. SUBCONTRACTS

With prior written consent of L&I, the Grantee may enter into subcontracts for any of the work or services contemplated under this Grant. Consent shall not be unreasonably withheld. This clause does not include grants of employment between the Grantee and personnel assigned to work under the Grant. The Grantee is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this grant are carried forward to any subcontracts.

20. INDEMNIFICATION

To the fullest extent permitted by the law, the Grantee expressly agrees to and shall indemnify, defend and hold harmless the State and its agencies, officials, agents and employees from and against all claims, actions, costs, damages, or expenses of any nature arising out of or incident to the Grantee's or any Contractor's performance or failure to perform the Grant.

The Grantee's obligation to indemnify, defend and hold harmless also includes any claim by Grantee's agents, employees, representatives or any Contractor or its employees. Grantee's obligation to defend includes payment of any costs or attorneys' fees.

Grantee's obligation shall not include such claims that may be caused by the sole negligence of the State and its agencies, officials, agents, and employees. If the claims or damages are caused by or result from the concurrent negligence of (a) the State, its agents or employees and (b) the Grantee, its Contractors, agents, or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee or its Contractors, agents, or employees. The Grantee expressly agrees to waive his/her immunity under Title 51 RCW to the extent required to indemnify, defend, and hold harmless the State and its agencies, officials, agents or employees.

21. COVENANT AGAINST CONTINGENT FEES

The Grantee warrants that no person or agency has been employed or retained to solicit or secure this grant upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agency maintained by the Grantee for the purpose of securing business. L&I shall have the right, in the event of breach of this clause by the Grantee, to annul this grant without liability, or in its discretion, to deduct from the grant price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

22. CONFLICT OF INTEREST

Notwithstanding any determination by the Executive Ethics Board or other tribunal, L&I may, in its sole discretion, by written notice to the Grantee terminate this Grant if it is found after due notice and examination by L&I that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the Grantee in the procurement of, or performance under this Grant. In the event this Grant is terminated as provided above, the SHIP program or L&I shall be entitled to pursue the same remedies against the Grantee as it could pursue in the event of a breach of the Grant by the Grantee. The rights and remedies of the SHIP program or L&I provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which the SHIP program or L&I makes any determination under this clause may be reviewed as provided in the "Disputes" clause of this Grant.

23. TREATMENT OF ASSETS

Unless otherwise specified in the award or within this grant:

23.1. Title to equipment acquired by a grantee with SHIP program funds shall vest in the grantee upon acquisition, subject to conditions of this section. SHIP grant funds cannot be used to purchase equipment with a value that exceeds \$5,000 without specific approval in advance from the Department of Labor and Industries.

23.1.1. The grantee shall use the equipment in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by SHIP program funds and shall not encumber the property during the life of the project without prior approval of the Department of Labor and Industries.

- 23.1.2. The grantee shall provide proof that the equipment is insured against damage or loss and maintain the equipment in serviceable condition throughout the duration of the project.
 - 23.1.2.1. A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment.
 - 23.1.2.2. Adequate maintenance procedures shall be implemented to keep the equipment in good condition.
- 23.2. Title to supplies and other expendable property shall vest in the grantee upon acquisition. SHIP grant funds cannot be used to purchase expendable property with a value that exceeds \$2,000 without specific approval in advance from Department of Labor and Industries.
- 23.3. All reference to the Grantee under this clause shall include any of the Grantee's employees, agents, or subcontractors.
- 23.4. For the purposes of this section:
 - 23.4.1. *Equipment* means an article of non-expendable, tangible personal property or machinery having a useful life of more than one year.
 - 23.4.2. *Supplies* are consumable items with no measurable life.

24. RECORDS, DOCUMENTS, AND REPORTS

The Grantee shall maintain books, records, documents and other evidence of accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this grant. These records shall be subject at all reasonable times to inspection, review, or audit by personnel duly authorized by L&I, the Office of the State Auditor, and federal officials so authorized by law, rule, regulation, or contract. The Grantee will retain all books, records, documents, and other materials relevant to this grant for six years after settlement, and make them available for inspection by persons authorized under this provision. The Grantee shall be responsible for any audit exceptions or disallowed costs incurred by the Grantee or any of its subcontractors. The grantee shall timely provide any and all information, whether financial or other information about grant activities, when requested by L&I or a representative of the SHIP program.

- 24.1. **Reports:** As a condition of the award and the Grant, included in the *DESCRIPTION OF PROJECT and STATEMENT OF WORK*, special reporting requirements may be included. Grantees who fail to submit required reports may have grant payments suspended or revoked, and they shall be ineligible to apply for or receive subsequent awards from the SHIP grant program. Acceptability of reports may also affect eligibility.
- 24.2. **Information Requests:** From time to time the SHIP Grant Manager may ask the Grantee to provide project activity updates, interim reports, or answers to specific questions relating to the grant or grant activities. The Grantee's Project Manager will provide such information within the timeframe requested. If conditions exist that prevent timely response the Grantee's Project Manager shall immediately notify the SHIP Grant Manager of the difficulty and negotiate a date to comply with the request. Failure to provide timely response is considered a material breach of this agreement.
- 24.3. **Financial Management Standards:**
 - 24.3.1. **Accounting System:** Grantee organizations and their subcontractors must have an accounting system that provides accurate, current, and complete disclosure of all financial transactions related to projects under this grant. Accounting records must contain information pertaining to authorizations, obligations, unobligated balances, assets, outlays and income. These records must be maintained on a current basis and balanced at least quarterly.
 - 24.3.2. **Source Documentation:** Accounting records must be supported by source documentation such as canceled checks, bank statements, invoices, paid bills, time and attendance records, salary records, activity reports, travel reports, contractual and consultant Grants, etc. All supporting documentation should be clearly identified with the general ledger accounts which are to be charged or credited.
 - 24.3.3. **Internal Control:** Effective control and accountability must be maintained for all cash, real and personal property, and other assets. Grantees must adequately safeguard all such property and

must provide assurance that it is used solely for purposes authorized under this grant. Grantees must also have systems in place to ensure compliance with the terms and conditions of this Grant.

- 24.3.4. **Budget Control:** Records of expenditures must be maintained for each project by the cost categories of the approved budget (including indirect costs that are charged to the project). Approval by the SHIP Program Manager is required for all budget revisions.
- 24.3.5. **Allowable Costs:** To be allowable under this grant costs must meet the following general criteria:
- 24.3.5.1. Be reasonable for the performance of the grant and be allocable under these principles.
 - 24.3.5.2. Conform to any limitations or exclusions set forth in these principles or in the grant budget as to types or amount of cost items.
 - 24.3.5.3. Be accorded consistent treatment.
 - 24.3.5.4. Be determined in accordance with generally accepted accounting principles (GAAP).
 - 24.3.5.5. Be adequately documented.
- 24.3.6. **Reasonable costs:** A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs. In determining the reasonableness of a given cost, consideration shall be given to:
- 24.3.6.1. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or the performance of the award.
 - 24.3.6.2. The restraints or requirements imposed by such factors as generally accepted sound business practices, arms length bargaining, Federal and State laws and regulations, and terms and conditions of the Grant.
 - 24.3.6.3. Whether the individuals concerned acted with prudence in the circumstances, considering their responsibilities to the organization, its members, employees, and clients, the public at large, and State Government.

25. CONFIDENTIALITY

The use or disclosure by any party of any information concerning L&I for any purpose not directly connected with the administration of L&I's or the Grantee's responsibilities with respect to services provided under this grant is prohibited except by prior written consent of L&I. The Grantee shall maintain as confidential all information concerning the Grantee's study findings and recommendations, as well as the business of L&I, its financial affairs, relations with its clientele and its employees, and any other information which may be specifically classified as confidential by L&I in writing to the Grantee. To the extent consistent with Washington State law, L&I shall maintain all information which the Grantee specifies in writing as confidential. The Grantee shall have an appropriate grant with its employees to this effect.

26. ACCESS TO DATA

In compliance with chapter 39.29 RCW, the Grantee shall provide access to data generated under this grant to L&I, the joint legislative audit and review committee, and the state auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the Grantee's reports, including computer models and methodology for those models.

27. RIGHTS IN DATA

Unless otherwise provided, L&I shall be the owner for all purposes under Title 17 U.S.C., of all data which originates from this Grant. L&I shall be considered the author of such data. Data shall include, but not be limited to all information that supports the findings, conclusions, and recommendations of the Grantee's reports, data extracts, medical case management reports or claimant file information provided by L&I, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, videos, tapes, and/or sound reproductions. Ownership includes but is not limited to the right to use, copyright, patent, register and the ability to transfer these rights.

Data which is delivered under the Grant, but which does not originate from the Grant, shall be transferred to L&I

with a non-exclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, dispose of, and to authorize others to do so; provided, that such license shall be limited to the extent which the Grantee has a right to grant such a license. The Grantee shall exert all reasonable effort to advise L&I, at the time of delivery of data furnished under this Grant, of all known or potential invasions of privacy contained therein and of any portion of such documents which was not produced in the performance of this Grant. L&I shall receive prompt written notice of each notice or claim or copyright infringement received by the Grantee with respect to any data delivered under this Grant. L&I shall have the right to modify or remove any restrictive markings placed upon the data by the Grantee.

28. REGISTRATION WITH DEPARTMENT OF REVENUE

The Grantee shall comply with the Washington State law requiring registration with the Department of Revenue and shall be responsible for payment of all taxes due on payments made under this Grant.

29. TAXES

All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for the Grantee or its staff shall be the sole responsibility of the Grantee.

30. RIGHTS OF INSPECTION

The Grantee shall provide right of access to L&I, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance of internal policies and procedures, and/or records relating to the safeguarding, use, and disclosure of Personal Information obtained or used as a result of this Grant. The Grantee shall make available information necessary for L&I to comply with the client's right to access, amend, and receive an accounting of disclosures of their Personal Information.

31. FUNDING CONTINGENCY

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this grant and prior to normal completion, L&I may terminate this grant without advance notice subject to renegotiation under those new funding limitations and conditions.

32. LIMITATION OF SIGNATURE AUTHORITY

Except in the case of an extension of time, only L&I's Director or his or her delegate by writing (delegation to be made prior to action) shall have the expressed, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Grant. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of this grant is not effective or binding unless made in writing and signed by L&I's Director or his or her delegate.

33. CHANGES TO GRANT

By written notification to and consent of the Grantee, L&I may, at any time, and without notice to any known guarantor or surety, make changes within the general scope of the services to be performed under the Grant. If any such changes cause an increase or decrease in the cost of, or the time required for the performance of this Grant, an equitable adjustment may be made in the grant price consistent with the *Compensation* clause, or period of performance, or both, and the grant shall be modified in writing accordingly. Any claim by the Grantee for adjustment under this clause must be asserted within 30 days from the date of receipt by the Grantee of the notice of such change; Provided, however, that L&I's Director or his or her delegate by writing may, if he or she decides that the facts justify such action, receive and act upon such claim asserted at any time prior to final payment under this Grant. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the *Disputes* clause, **Attachment A**. However, nothing in this clause shall excuse the Grantee from proceeding with the grant as changed.

34. DISPUTES

Disputes arising under this grant are governed by WAC 296-900-17540

35. TERMINATION FOR DEFAULT

If either party violates any material term or condition of this grant, the other (aggrieved) party may give the violating party written notice of the violation. The violating party will correct the violation within 20 days or as otherwise mutually agreed. If the violation is not corrected, the aggrieved party may, at its sole discretion, immediately terminate this grant by written notice to the violating party. Upon termination, the violating party shall be liable for damages as authorized by law.

35.1. The termination shall be deemed to be a "Termination for Convenience" if it is determined that the violating party:

35.1.1. Was not in default; or

35.1.2. Failure to perform was outside of his or her control, fault or negligence.

This clause shall not apply to any failure to perform which is the result of the aggrieved party's willful or negligent acts or omissions.

35.2. **Other Termination Remedies**

The SHIP program and L&I may require strict compliance by the Grantee with the terms of this Grant including, but not limited to, the requirements of the applicable statutes, rules and L&I policies which are incorporated into this Grant, and with the representations of the Grantee in its application for a grant as finally approved by L&I.

35.2.1. L&I may suspend, or may terminate, the obligation to provide funding to the Grantee under this Grant (WAC 296-900-17540):

35.2.1.1. In the event of any breach or failure to reach a milestone by the Grantee of any of the Grantee's obligations under this Grant; or

35.2.1.2. If the Grantee fails to make progress satisfactory to the SHIP program and L&I toward completion of the Project by the completion date set out in this Grant.

In the event this Grant is terminated by L&I, under this section or any other section after any portion of the grant amount has been paid to the Grantee under this Grant, L&I may require that any amount paid be repaid to L&I for redeposit into the account from which the funds were derived.

L&I may enforce this Grant by the remedy of specific performance, which usually will mean completion of the Project as described in this Grant. However, the remedy of specific performance shall not be the sole or exclusive remedy available to L&I. No remedy available to L&I shall be deemed exclusive. The L&I may elect to exercise any single remedy, any combination of remedies, or all of the remedies available to it under this Grant, or under any provision of law, common law, or equity.

36. **TERMINATION FOR CONVENIENCE**

L&I has the right to terminate the grant by giving written notice to the Grantee at least ten (10) days before the effective date of termination. If this grant is so terminated, L&I is liable only for payments required under the terms of this grant for services rendered prior to termination.

37. **CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND INELIGIBILITY**

The Grantee certifies it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Grant by any Federal and/or State department or agency. If requested by L&I, the Grantee shall complete a Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion form. Any such form completed by the Grantee for this Grant shall be incorporated into this Grant by reference.

38. **OVERPAYMENTS AND ASSERTION OF LIEN**

In the event that L&I establishes overpayments or erroneous payments made to the Grantee under this Grant, L&I may secure repayment, plus interest, if any, through the filing of a lien against the Grantee's real property, and/or by requiring the posting of a bond, assignment of deposit, and/or some other form of security acceptable to L&I.

39. **WAIVER**

Unless the grant is amended in writing by an authorized representative of L&I, waiver of a default under this Grant, or failure by L&I to exercise its rights shall not:

- be considered a modification or amendment to the Grant; or
- constitute a waiver of any subsequent default.

40. **PUBLICITY**

40.1. The Grantee agrees to submit to L&I all advertising and publicity matters relating to this grant which in L&I's judgment, L&I's name can be implied or is specifically mentioned. The Grantee agrees not to publish or use such advertising and publicity matters without the prior written consent of L&I.

40.2. **Acknowledgements**

40.2.1. Within all written or verbal communications with the media and/or public the Grantee shall state or prominently display the wording "**Funding and support for this project has been**

provided by the State of Washington, Department of Labor & Industries, Safety & Health Investment Projects", including but not limited to:

- 40.2.1.1. All published material, announcements produced for or regarding this grant.
- 40.2.1.2. Informational releases to the media and/or public.
- 40.2.1.3. All events that are held as a direct result of this grant.
- 40.2.1.4. All interviews with the media.
- 40.2.2. Note: *"Funding and support for this project has been provided by the State of Washington, Department of Labor & Industries, Safety & Health Investment Projects"* shall be:
 - 40.2.2.1. Displayed on the cover or the first page of all printed materials.
 - 40.2.2.2. Displayed at the entrances to events.
 - 40.2.2.3. Displayed in the introduction and credits for video, audio, and any other audio-visual materials produced.
- 40.2.3. Ceremonies: The Grantee shall notify L&I no later than two weeks before a dedication ceremony for this Project. The Grantee shall verbally acknowledge the program's funding contribution at all dedication ceremonies.
- 40.2.4. The Grantee agrees to submit to L&I all advertising and publicity matters relating to this grant which in L&I's judgment, L&I's name can be implied or is specifically mentioned. The Grantee agrees not to publish or use such advertising and publicity matters without the prior written consent of L&I.

41. ATTORNEYS' FEES

If either party brings litigation to enforce any term or condition of this Grant, or as a result of this Grant, each party is responsible for their own attorneys' fees together with other necessary fees, expenses, and costs incurred for such litigation at both trial and appellate levels, as well as in obtaining execution of judgment.

L & I SHIP Grant No. _____

L & I Contract No. _____

ATTACHMENT B

SHIP Application (Application) and Project Description and Work Plan (PDWP), attachments and addendums

The Grantee shall furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to the performance of work as set forth in the approved *Application and PDWP*.

L & I SHIP Grant No. _____
L & I Contract No. _____

ATTACHMENT C
Reporting Dates and Payment Schedule
