

SFA SUBGRANT AWARD AGREEMENT

THIS SUBAWARD AGREEMENT (this "Agreement") is entered into as of 7/21/2023 by and between Beta Academy (SFA) and Action for Healthy Kids (AFHK). This Agreement shall govern certain activities and responsibilities to be carried out by SFA on behalf of AFHK a grantee of the U.S. Department of Agriculture (USDA).

1. TERM. This Agreement shall govern the performance of the parties for the period August 1, 2023 (the "Effective Date") through September 30, 2025, unless earlier terminated by either party in accordance with the terms of this Agreement (such period of performance, the "Agreement Term").

2. SCOPE OF SERVICES AND BUDGET; PRIOR APPROVAL FOR CHANGES.

a. Scope of Services and Budget. SFA shall, in a satisfactory manner as determined by AFHK, perform all activities described in the scope of services as approved by AFHK as part of your Healthy Meals Incentives (HMI) grant application, in accordance with the program budget as approved by AFHK, as may be amended from time to time (the "Approved Budget").

b. Prior Approval for Changes. SFA may not transfer allocated funds among cost categories within a budgeted program account that is greater than 20% in total of the original budget without the prior written approval of AFHK.

3. AWARD AMOUNT.

a. Payment of Funds. AFHK agrees to reimburse SFA for costs actually incurred and paid by SFA in accordance with the Approved Budget for the performance of the Approved Services under this Agreement in an amount not to exceed \$114,348.00 (the "Total Agreement Funds"). The amount of Total Agreement Funds, however, is subject to adjustment by AFHK if a substantial change is made by the USDA to the HMI cooperative agreement with AFHK that affects this Agreement or if this Agreement is terminated prior to the expiration of the Agreement as provided in Section 1 above. A significant change to the HMI cooperative agreement between USDA and AFHK, will be determined at the sole discretion of AFHK but could include, but is not limited to, USDA terminating the cooperative agreement with AFHK early, USDA reducing the cooperative agreement award amount. Program funds shall not be expended prior to the Effective Date or following the earlier of the expiration or termination of this Agreement. Costs incurred shall only be as necessary and allowable to carry out the purposes and activities of the Approved Services and may not exceed the maximum limits set in the Approved Budget.

b. Invoices. The SFA will be allowed to submit one invoice per calendar month during the grant term. The SFA will also submit any final invoices no later than ninety (90) days after the earlier of the expiration or termination of this Agreement, SFA shall submit invoices, in a form and manner directed by AFHK, including supporting documents for the items invoiced.

Within ten (10) working days from the date AFHK receives such invoice, AFHK will review the invoice and supporting documents. If the invoice is not approved, AFHK shall notify SFA of the disapproval and the corrective action needed. If payment is approved, no notice will be given, and payment will be released on the next payment date.

c. Contingency. The payment of funds to SFA under the terms of this Agreement shall be contingent on the receipt of such funds by AFHK from USDA and shall be subject to SFA continued eligibility to receive funds under the applicable provisions of the subaward terms and conditions. If the amount of funds that AFHK receives from USDA is reduced, AFHK reserves the right to reduce the amount of funds awarded under, or to terminate, this Agreement.

4. COMMUNICATIONS

a. Award notification. Public announcement or acknowledgement of award of this grant is embargoed until USDA FNS formally announces the list of awardees. Please do not share the news of this award on your website, social media channels, or any other external-facing communication channel until that time. However, SFA may disclose receipt of this award to those who need to know for work to begin on SFA's project. All SFA employees and representatives must also follow the embargo. AFHK will reach out again soon to let SFA know the exact date and time the embargo will be lifted. We value your cooperation and understanding in respecting this embargo. Violation of this section of the subaward agreement will be seen as a violation of the terms of the grant agreement which could result in the termination of the agreement.

5. FINANCIAL ACCOUNTABILITY AND GRANT ADMINISTRATION

a. Financial Management. SFA shall maintain a financial management system and financial records and shall administer funds received pursuant to this Agreement in accordance with all applicable federal and state requirements, including without limitation, 2 C.F.R. Part 200 and 2 CFR Part 400. SFA shall adopt such additional financial management procedures as may from time to time be prescribed by AFHK if required by applicable laws, regulations, or guidelines from its federal and state government funding sources. SFA shall maintain detailed, itemized documentation and records of all income received and expenses incurred pursuant to this Agreement.

b. Limitations on Expenditures. SFA shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to the Effective Date or following the earlier of the expiration or termination of this Agreement. AFHK shall only reimburse SFA for documented expenditures incurred during the Agreement Term that are: (i) reasonable and necessary to carry out the Healthy Meals Incentives (HMI) program; (ii) documented by contracts or other evidence of liability consistent with established AFHK and SFA procedures; and (iii) incurred in accordance with all applicable requirements for the expenditure of funds payable under this Agreement.

c. Financial and Other Reports. SFA shall submit to AFHK such reports and back-up data as may be required by AFHK and/or USDA, including without limitation such reports

which enable AFHK to submit its own quarterly financial and quarterly programmatic reports to USDA. The reports required in accordance with this agreement are identified in the following schedule:

<u>REPORT</u>	<u>DEADLINE</u>
Quarterly Financial Reports	30 days after end of the quarter
Final Financial Report	October 31, 2025
Semiannual Program Progress Report	Jan. 30, 2024, July 30, 2024 & Jan. 30, 2025
Final Program Report	Nov. 15, 2025

This provision shall survive the expiration or termination of this Agreement with respect to any reports which SFA is required to submit to AFHK before or following the expiration or termination of this Agreement.

d. Improper Payments. Any item of expenditure by SFA under the terms of this Agreement which is found by auditors, investigators, and other authorized representatives of AFHK, USDA, the U.S. Government Accountability Office or the Comptroller General of the United States to be improper, unallowable, in violation of federal or state law or the terms of the this Agreement, or involving any fraudulent, deceptive, or misleading representations or activities of SFA, shall become SFA's liability, to be paid by SFA from funds other than those provided by AFHK under this Agreement. This provision shall survive the expiration or termination of this Agreement.

e. Closeout. Final invoice(s) under this Agreement must be received by AFHK no later than ninety (90) days from the earlier of the expiration date or termination date of this Agreement. No invoice will be accepted by AFHK after this date without advance written authorization from AFHK. In consideration of the execution of this Agreement by AFHK, SFA agrees that acceptance of final payment from AFHK will constitute an agreement by SFA to release and forever discharge AFHK, USDA, their agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which SFA has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this Agreement. SFA's obligations to AFHK under this Agreement shall not terminate until all closeout requirements are completed to the satisfaction of AFHK. Such requirements shall include, without limitation, submitting final reports to AFHK and providing any closeout-related information requested by AFHK by the deadlines specified by AFHK. This provision shall survive the expiration or termination of this Agreement.

6. COOPERATION IN MONITORING AND EVALUATION.

a. AFHK Responsibilities. AFHK shall monitor, evaluate, and provide guidance and direction to SFA in the conduct of Approved Services performed under this Agreement. AFHK has the responsibility to determine whether SFA has spent program funds in accordance with

applicable laws, regulations, including the federal audit requirements and agreements and shall monitor the activities of SFA to ensure that SFA has met such requirements. AFHK may require SFA to take corrective action if deficiencies are found.

b. SFA Responsibilities.

i. SFA shall permit AFHK to carry out monitoring and evaluation activities, including any performance measurement system required by applicable law, regulation, funding sources guidelines or by the terms and conditions, and SFA agrees to ensure, to the greatest extent possible, the cooperation of its agents, employees and board members in such monitoring and evaluation efforts. Evaluation activities may include but are not limited to baseline surveys before the start of the projects related to agreements, interim progress surveys, and post project completion surveys. This provision shall survive the expiration or termination of this Agreement.

ii. SFA shall prepare semi-annual program progress reports and final program reports on or before the days designated by AFHK. The semi-annual program progress reports and the final program report will be submitted in a format and manner designated by AFHK.

iii. SFA shall cooperate fully with any reviews or audits of the activities under this Agreement by authorized representatives of AFHK, USDA, the U.S. Government Accountability Office, or the Comptroller General of the United States and SFA agrees to ensure to the extent possible the cooperation of its agents, employees, and board members in any such reviews and audits. This provision shall survive the expiration or termination of this Agreement.

7. RECORD RETENTION AND ACCESS. SFA shall maintain all records, books, papers and other documents related to its performance of Approved Services under this Agreement (including without limitation personnel, property, financial and medical records) for a period of 4 years following the date that AFHK makes the last payment to SFA under this Agreement, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving this Agreement. SFA shall make all records, books, papers, and other documents that relate to this Agreement available at all reasonable times for inspection, review, and audit by the authorized representatives of AFHK, USDA, the U.S. Government Accountability Office, and the Comptroller General of the United States.

8. SUBGRANTEE RELATIONSHIP. The relationship of SFA to AFHK is that of a subgrantee (independent contractor) and not of an employee/employer. It is expressly understood that any individual performing services under this Agreement on behalf of SFA shall not be deemed to be an employee or independent contractor of AFHK, and such individual shall not be entitled to tax withholding, workers' compensation, unemployment compensation or any employee benefits, statutory or otherwise, from AFHK. SFA agrees that it is solely responsible for the reporting and payment of income, social security, and other employment taxes due to the proper taxing authorities with respect to such personnel. SFA agrees to indemnify, defend and hold harmless AFHK and its directors, officers, employees and agents from and against any and all costs, losses, damages, liabilities, expenses, demands and judgments, including court costs and attorney's fees, relating to the reporting and payment of income, social security and other

employment taxes and the provision of employee benefits (including but not limited to workers' compensation, unemployment insurance and health insurance coverage or assessable payments required under the Patient Protection and Affordable Care Act, P.L.111-148) with respect to such individual performing services under this Agreement on behalf of SFA. This provision shall survive the expiration or termination of this Agreement.

9. COMPLIANCE WITH GRANT AGREEMENT AND APPLICABLE LAWS.

a. Compliance with Prime Award and Subaward. SFA shall perform all activities funded by this Agreement in accordance with: (i) the Subaward Data attached hereto as Exhibit A, including any amendments thereto; (ii) the Approved Services which was part of your HMI application; (iii) the Approved Budget which was of your HMI application, including any amendments; (iv) the applicable contract provisions for non-federal entity contracts under federal awards required under Appendix II to the Uniform Guidance and attached hereto as Exhibit B (the "Required Contract Provisions") (each of (i) – (iv) above is hereby incorporated by reference into this Agreement). In addition, SFA shall cooperate fully with AFHK in its efforts to comply with the requirements of the USDA Award received by AFHK, including any amendments thereto.

b. Compliance with Applicable Laws. SFA shall perform all activities funded by this Agreement in accordance with all applicable federal, state, and local laws, including without limitation laws which regulate the use of funds allocated under [Title X]. The term "federal, state and local laws" as used in this Agreement shall mean all applicable statutes, rules, regulations, executive orders, directives, guidance documents or other such requirements, including all such requirements presently in effect and as may be amended or otherwise altered during the Agreement Term, as well as all such requirements which may be enacted or otherwise become effective during the Agreement Term. The term "federal, state and local laws" shall include, without limitation:

i. Regulations

1. 2 CFR Part 170: "Reporting Sub-award and Executive Compensation Information."
2. 2 CFR Part 417: USDA "Non-procurement Debarment & Suspension"
3. 2 CFR Part 418: USDA "New Restrictions on Lobbying"
4. 2 CFR Part 421: USDA "Requirements for Drug-Free Workplace (Financial Assistance)"
5. 41 USC Section 22 "Interest of Member of Congress"
6. 7 CFR Part 15: "Nondiscrimination"
7. 28 U.S.C. 2671: Federal Tort Claims Act

ii. Cost Principles

1. All requested costs must be allowable, allocable, necessary, reasonable, and in accordance with regulations as follows:
 - a. 2 CFR Part 200: Subpart E, Cost Principles
 - b. 2 CFR Part 400

iii. Civil Rights Compliance

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-et seq.), USDA regulations at 7 CFR Part 15, Nondiscrimination, and Department of Justice regulations at 28 CFR Part 42, Nondiscrimination; Equal Employment Opportunity: Policies and Procedures
2. Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.) and USDA regulations at 7 CFR Part 15a, Education Programs or Activities Receiving or Benefiting from Federal Financial Assistance
3. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 1681 et seq.) and USDA regulations at 7 CFR Part 15a, Education Programs or Activities Receiving or Benefiting from Federal Financial Assistance, and Department of Justice regulations at 28 CFR Part 41, Implementation of Executive Order 12250, Nondiscrimination on the Basis of Handicap In Federally Assisted Programs
4. Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) The Grantee assures that it will immediately take any measures necessary to effectuate the requirements in these laws, regulations, and directives. The Grantee gives this assurance in consideration of and for the purpose of obtaining the funds provided under this agreement.
5. The Americans with Disabilities Act of 1990 (ADA) prohibits discrimination on the basis of disability in employment (Title I), state & local government services (Title II), places of public accommodation, and commercial facilities (Title III). (42 U.S.C. 12101-12213)
6. Executive Order 13166, "improving Access to Services for Persons with Limited English Proficiency." (August 11, 2000)
7. All provisions required by the implementing regulations of the Department of Agriculture (USDA)(7 CFR Part 15 et seq.)
8. Department of Justice Enforcement Guidelines (28 CFR Parts 35, 42 and 50.3)
9. Food and Nutrition Services (FNS) directives and guidelines to the effect that, no person shall, on the grounds of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity for which the Program applicant receives Federal financial assistance from USDA: and hereby gives assurance that it will immediately take measures necessary to effectuate this Agreement
10. The USDA non-discrimination statement that in accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in

any program or activity conducted or funded by USDA (not all bases apply to all programs)

10. INTELLECTUAL PROPERTY RIGHTS. SFA hereby grants and assigns exclusively to AFHK and United States Department of Agriculture (USDA) any and all right, title and interest in any and all designs, inventions, documentation, developments, know-how, ideas, information, including artwork, concepts, prototypes, whether or not eligible for or covered by copyright, patent, trademark and trade secret protections, that are developed or conceived, in whole or in part, by SFA during the performance of services pursuant to this Agreement (the "Work Product"), which AFHK shall own. It is understood that SFA will receive no royalty from AFHK for its assignment of Work Product, as provided in the preceding sentence. The SFA further agrees that it shall execute any and all documents necessary to release to AFHK any and all rights which the Service Representative may acquire in any property, whether tangible or intangible, in connection with the SFA's performance pursuant to this Agreement.

All Work Product is work made for hire to the extent allowed by law and, in addition, SFA hereby makes all assignments necessary to accomplish the foregoing ownership. SFA shall assist AFHK to further evidence, record and perfect such assignments, and to perfect, obtain, maintain, enforce and defend any rights assigned. SFA hereby irrevocably designates and appoints AFHK as its agents and attorneys-in-fact, coupled with an interest, to act for and on SFA's behalf to execute and file any document and to do all other lawfully permitted acts to further the foregoing with the same legal force and effect as if executed by SFA and all other creators or owners of the applicable Work Product. SFA represents and warrants that all Work Product created for AFHK under this Agreement is original and does not infringe on the rights of any third party. SFA further agrees to indemnify and hold harmless AFHK against any damages or losses related to any claims of intellectual property infringement by the Work Product. The parties also acknowledge and agree that [the federal awarding agency] reserves a paid-up, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for federal purposes: (i) the copyright in the Work Product; and (ii) any rights of copyright to which AFHK, SFA or a contractor purchases ownership under an award (including but not limited to curricula, training models, technical assistance products, and any related materials). Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise. This provision shall survive the expiration or termination of this Agreement.

a. The Agency may request copies of an award product for not-for-profit use. These copies will be provided at the cost of reproduction and shipping, and no royalties or other fees will be charged. However, the Agency's use of copyrighted materials is not intended to interfere with or disadvantage the SFA or assignee in the sale and distribution of the award product. The SFA is subject to applicable regulations governing patents and inventions, including governmentwide regulations issued by the Department of Commerce at 37 CFR 401.

b. In addition, in response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under an award that were used by the Federal Government in developing an agency action that has the

force and effect of law, the Agency must request of AFHK, and AFHK shall then request of SFA, and the SFA shall provide within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Agency obtains the research data solely in response to a FOIA request, the Agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Agency, the SFA, and applicable sub-SFAs. This fee is in addition to any fees the agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).

11. INDEMNIFICATION. SFA shall defend and hold AFHK, its employees, officers, directors, agents and representatives harmless from any and all costs, losses, damages, liabilities, expenses, demands, and judgments, including court costs and attorney's fees, which they may suffer arising from any act or omission or neglect of SFA, its employees, officers, directors, agents or representatives, or anyone else for whose acts SFA may be responsible, in the performance of SFA's obligations under this Agreement. This provision shall survive the expiration or termination of this Agreement.

11. FEDERALLY OWNED AND EXEMPT PROPERTY: Title to federally owned property remains vested in the Federal entity. The SFA must submit annually an inventory listing of federally owned property in its custody to the AFHK. Upon completion of the project, or when the property is no longer needed, the SFA must contact the AFHK for instructions on utilization or disposition ([2 CFR 200.312](#)).

12. EQUIPMENT: Equipment is defined as tangible, nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. The purchase of equipment not included in the approved project budget is allowable only if it is specifically approved beforehand by the Agency and there is documentation to support that the purchase is necessary and reasonable to carry out project activities. Equipment records must be maintained that include the description of the equipment, the serial number or other identification number, the source of funding for the equipment (including the Federal Award Identification Number, or FAIN), the title holder, the acquisition date, the percentage of Federal participation in the project costs for the Federal award under which the equipment was acquired, the location, use, and condition of the equipment, and any ultimate disposition data including the date of disposal and the sale price of the equipment. A physical inventory of the equipment must be taken and the results reconciled with the equipment records at least once every two years. SFA will share the results of this inventory with AFHK. A Tangible Personal Property Report, SF-428, must be submitted at award close-out to report the status of the equipment, if requested to AFHK. SFA will follow USDA's equipment disposition guidance and procedures as defined in [2 CFR 200.312](#). Disposition procedures will be provided by the Agency. These requirements will only apply to SFA's that are non-profit or for-profit organizations. SFA's that are part of a public school district will be exempt from this requirement.

13. INSURANCE. SFA shall, at all times throughout the Agreement Term, carry insurance in such form and in such amounts as AFHK may from time to time reasonably require against other insurable hazards and casualties that are commonly insured against in the performance of similar services as are to be provided under this Agreement. At a minimum, SFA shall maintain during the Agreement Term at least the following types and limits of insurance coverage:

- a. Workers' compensation in amounts no less than required by law;
- b. Commercial general liability insurance, in an amount no less than the value of an real property and equipment acquired or improved as part of this Agreement;

14. TERMINATION.

a. By AFHK. AFHK may, by giving written notice to SFA, terminate this Agreement in whole or in part for cause, which shall include, without limitation: (i) failure for any reason of SFA to fulfill timely and properly any of its obligations under this Agreement, including failure to comply with any provision of Section 8 of this Agreement; (ii) SFA's default, breach or any intervening casualty which poses an immediate threat to life, health or safety; (iii) SFA's breach of its representations, warranties and certifications contained in this Agreement; (iv) the suspension or debarment or determination that SFA or any of its principals are ineligible to participate in federal assistance awards or contracts; (v) SFA's failure to maintain the insurance coverage in the form and/or amounts required by AFHK pursuant to this Agreement; (vi) the submission by SFA to AFHK or USDA of reports that are incorrect or incomplete in any material respect; (vii) ineffective or improper use by SFA of funds received under this Agreement; (viii) suspension, termination, in whole or in part of, or absence or reduction of appropriations for, grants or reimbursements to AFHK; (ix) the necessity for termination and/or amendment of this Agreement so as to make any terms of this Agreement consistent with federal, state or local laws; (vi) fraudulent activities on the part of SFA; and (x) the filing of bankruptcy, receivership or dissolution by or with respect to SFA; (xi) the failure to comply with section 4a. Communications of this agreement. AFHK may also terminate this Agreement in whole or in part without cause upon thirty (30) days' written notice to SFA.

b. Liability for Default. Whether or not this Agreement is terminated, SFA shall be liable to AFHK for damages sustained by AFHK by virtue of any breach of this Agreement by SFA. This shall include, without limitation, liability of SFA for the disallowance by USDA of the reimbursement of charges submitted by AFHK for services provided by SFA under this Agreement where the disallowance is in any way attributable to SFA, including the provision or maintenance by SFA of inadequate or erroneous records or billing documentation of services provided. If any such reimbursement of charges is disallowed as a result of an audit by USDA of SFA or AFHK, the amount disallowed must be paid by SFA to AFHK from funds other than those provided by AFHK under this Agreement.

15. GENERAL PROVISIONS.

a. Governing Law. This Agreement shall be governed by the laws of the State of Illinois as well as all Federal laws regulations without giving effect to the conflicts of laws provisions thereof.

b. Integration. This Agreement supersedes all oral agreements, negotiations and representations between the parties pertaining to the subject matter of this Agreement.

c. Severability. If any provision of this Agreement is found to be invalid, the remaining provisions shall remain in full force and effect.

d. Waiver of Breach. The waiver by either party of any breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach by the other party of the same or of different provisions.

e. Binding Effect; Assignment. Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the parties and their respective and permitted successors, transferees, and assigns. SFA shall not assign, subcontract, or transfer any of its rights, responsibilities, or obligations under this Agreement without AFHK's prior written consent, which AFHK may withhold in its sole discretion.

f. Notices. Notices required by this Agreement shall be made in writing and delivered via U.S. mail (postage prepaid), commercial courier, or personal delivery or other electronic means (provided that receipt is confirmed). Any notice delivered or sent as described above shall be effective on the date received. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

If to AFHK:

Barbara Mechura
USDA Program Director
Action for Healthy Kids
600 W Van Buren Suite 720
Chicago IL 60607
(O) 612-562-9424
bmechura@actionforhealthykids.org

If to SFA:

Contact information provided in HMI Application


g. Amendment. Any amendment to this Agreement, shall only be effective if it has been reduced to writing, signed by an authorized representative of each party, and attached to this Agreement.

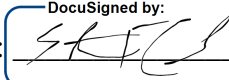
h. Counterpart Execution; Facsimile Execution. This Agreement may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document. Such executions may be transmitted to the other parties by facsimile or other electronic transmission and such facsimile or other electronic execution shall have the full force and effect of an original signature. All fully executed counterparts, whether original executions or facsimile executions, electronic executions, or a combination of the foregoing, shall be construed together and shall constitute one and the same agreement.

IN WITNESS WHEREOF, each of the parties has executed this Agreement by its duly authorized officer as of the day and year first written above.

Action for Healthy Kids

SFA

By: 
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By: 
CF7735136B774DF...

Name: Rich Roleck

Name: Steven Corrales

Title: CFO

Title: Chief of Operations

Exhibit A

Name of Federal Awarding Agency:	US Department of Agriculture
Name of Federal Agency Department:	Food and nutrition Services
CFDA Name:	Child Nutrition Discretionary Grants
CFDA Number:	10.579
Name of Pass-Through Entity:	Action for Healthy Kids

Exhibit B

Required Contract Provisions

(Appendix II to Part 75 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards)

- A. Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- B. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- C. Equal Employment Opportunity. Except as otherwise provided under 41 CFR part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, as amended by Executive Order 11375, and implementing regulations at 41 CFR part 60.
- D. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR part 5). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR part 3). The Act provides that each contractor or SFA must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- E. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that

involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- F. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR 401.2 (a) and the recipient or SFA wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or SFA must comply with the requirements of 37 CFR part 401 and any implementing regulations issued by the awarding agency.
- G. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- H. Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR part 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- I. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with

non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

J. See §75.331 Procurement of recovered materials.

Exhibit C

Certification Regarding Lobbying

Certification for Contracts, Grants, Loans, and Cooperative Agreements.

The SFA, 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 SFAs 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.