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Description	Planning Organization Agreement for Work Program Implementation
AFIS GAE Number	Refer to WP Award Letter(s)

GRANT AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION

THIS AGREEMENT, established pursuant to Arizona Revised Statutes (A.R.S.), § 28-401, § 28-334, § 28-367et seq., is entered into _____, between the STATE OF ARIZONA, acting by and through the ARIZONA DEPARTMENT OF TRANSPORTATION, MULTIMODAL PLANNING DIVISION, herein referred to as ADOT; and the FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION (FMPO) herein referred to as the MPO or SUBRECIPIENT. ADOT and the MPO are collectively referred to as the "Parties", and individually as ADOT, MPO, and "Party".

RECITALS

- 1) To ensure a continuing, cooperative, and comprehensive transportation planning process that involves cooperation/coordination between the MPO and ADOT through the sharing of information.
- 2) The Metropolitan Planning Organization (MPO) and its boundaries were designated pursuant to the requirements of Title 23, Section 134 of the United States Code (23 U.S.C. 134) and Title 23, Section 450 of the Code of Federal Regulation (23 CFR 450 et seq.).
- 3) The MPO is charged with the responsibility of carrying out transportation planning and programming processes that lead to the development and operation of an integrated, intermodal transportation system that facilitates the efficient, economic movement of people and goods; and supports metropolitan community development and social goals.
- 4) ADOT is a State Transportation Agency pursuant to Title 23, Section 134 of the United States Code (23 U.S.C. 134) and Title 23, Section 450 of the Code of Federal Regulation (23 CFR 450). ADOT is the direct recipient of federal apportioned and grant funds from Federal Highway Administration (FHWA) funds including but not limited to: State Planning and Research (SPR) funds, Metropolitan Planning Funds (PL), Surface Transportation Block Grant (STBG) funds; and from Federal Transit Administration (FTA) funds including but not limited to: apportioned funds per United States Code (49 U.S.C. 5303), 5310 Program funds, 5311 Program funds; and other federal and state funds over which ADOT has fiduciary responsibility. ADOT provides all or part of those funds to SUB-RECIPIENTS for the purpose of performing the Work Program, purposes identified in the Scope of this Agreement, and/or as identified for other specific projects. The Catalog of Federal Domestic Assistance (CFDA) numbers are provided below for funds commonly awarded to ADOT as a direct recipient and for which ADOT often passes on all or part of those funds to SUB-RECIPIENTS; this list is not all-inclusive and does not limit use of other funds under this Agreement.

Catalog of Federal Domestic Assistance (CFDA)			
CFDA Number	Agency	Grant Program	Title
20.205	FHWA	all	Highway Planning and Construction
20.505	FTA	5304/5305	Metropolitan Transportation Planning
20.513	FTA	5310	Capital Assistance Program for Elderly Persons and Persons with Disabilities
20.509	FTA	5311	Formula Grants for Other Than Urbanized Areas

- 5) ADOT is authorized to allocate said funds for all Planning Organizations throughout the State of Arizona.
- 6) The MPO is to be the sub-recipient of Metropolitan Planning Funds (PL Funds) authorized under 23 U.S.C. 104 (f) and 49 U.S.C. 5305 to carry out the provisions of 23 U.S.C. 134/49 U.S.C. 5303. The MPO is responsible for performing relevant responsibilities of the regulations and relevant programmatic requirements established by the funding source or by ADOT.
- 7) In accordance with 2 CFR 200.328, ADOT shall monitor all activities performed by its staff or by sub-recipients of FHWA and FTA funds to assure that the work is being managed and performed satisfactorily and that time schedules are being met.
- 8) ADOT has primary responsibility for administering FHWA and FTA funds allocated to the MPO and ensuring that such funds are expended for eligible costs, purposes, and activities in accordance with 23 CFR 420.113, that are allowable per 2 CFR 200 et seq., as adopted or otherwise modified pursuant to 2 CFR 1201 and that are within the MPO planning boundaries.
- 9) ADOT has primary responsibility for administering State Highway User Revenue Funds pursuant to A.R.S. 28.6993(G). In the event that the MPO is to be the recipient of HURF funds, the MPO is responsible for performing relevant responsibilities of the regulations and relevant programmatic requirements established by the funding source, by ADOT, and/or ADOT Policy and Procedure FIN-5.01 HURF Exchange Program.
- 10) 23 CFR 450.314 requires that ADOT and the MPO enter into an agreement clearly identifying the responsibilities for cooperatively carrying out the Metropolitan Planning Process and accomplishing the transportation planning requirements of state and federal law (including but not limited to corridor and subarea studies pursuant to 23 CFR 450.318).

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representation herein, the parties desiring to be legally bound, do agree as follows:

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DEFINITIONS

TERM	DEFINITION
Administrative modification (23 CFR 450.104)	A minor revision to a long-range statewide or metropolitan transportation plan, TIP, or STIP that includes minor changes to project/project phase costs, minor changes to funding sources of previously included projects, and minor changes to project/project phase initiation dates. An administrative modification is a revision that does not require public review and comment, a re-demonstration of fiscal constraint, or a conformity determination (in nonattainment and maintenance areas).
ADOT	Arizona Department of Transportation
Allocation	Funds described by the awarding Federal Agency as authorized for ADOT award or expenditure for a particular purpose and the portioned amount granted to the recipient of this Agreement by ADOT for the purpose described by the Agreement. Allocated funds are not available for use until obligated with and approved by the Federal awarding agency.
Amendment: Program/Projects (23 CFR 450.104) and Budget Revisions (2 CFR 200.308)	<p>A revision to a long-range statewide or metropolitan transportation plan, TIP, or STIP that involves a major change to a project included in a metropolitan transportation plan, TIP, or STIP, including the addition or deletion of a project or a major change in project cost, project/project phase initiation dates, or a major change in design concept or design scope (e.g., changing project termini or the number of through traffic lanes or changing the number of stations in the case of fixed guide way transit projects). Changes to projects that are included only for illustrative purposes do not require an amendment. An amendment in this case is a revision that requires public review and comment and a re-demonstration of fiscal constraint. If an amendment involves “non-exempt” projects in nonattainment and maintenance areas, a conformity determination is required.</p> <p>ADOT extends the same term “Amendment” to major changes to the annual Work Program Budget or Plan. A modification to the Work Program that involves a major change to a project, project costs, initiation dates, design concept or scope, or a change that adds or deletes projects, or is otherwise stipulated as a change requiring approval under 2 CFR 200.308 shall be considered an Amendment for purposes of this Agreement.</p>
Asset management (23 CFR 450)	A strategic and systematic process of operating, maintaining, and improving physical assets, with a focus on engineering and economic analysis based upon quality information, to identify a structured sequence of maintenance, preservation, repair, rehabilitation, and replacement actions that will achieve and sustain a desired state of good repair over the lifecycle of the assets at minimum practicable cost.
BECO	ADOT’s Business Engagement and Compliance Office
CFR	Code of Federal Regulations available at http://ecfr.gov
CMAQ	Congestion Mitigation Air Quality Improvement funds
COG	Councils of Government
Cognizant Agency	<p>Cognizant agency for audit: The Federal agency designated to carry out the responsibilities described in 2 CFR 200.513 Responsibilities, paragraph (a). The cognizant agency for audit is not necessarily the same as the cognizant agency for indirect costs. A list of cognizant agencies for audit may be found at the Federal Audit Clearinghouse Web site.</p> <p>Cognizant agency for indirect costs: The Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under this 2 CFR 200 on behalf of all Federal agencies. The cognizant</p>

TERM	DEFINITION
	<p>agency for indirect cost is not necessarily the same as the cognizant agency for audit. For assignments of cognizant agencies see the following:</p> <p>(a) For IHEs: Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs), paragraph C.11.</p> <p>(b) For nonprofit organizations: Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations, paragraph C.12.</p> <p>(c) For state and local governments: Appendix V to Part 200—State/Local Governmentwide Central Service Cost Allocation Plans, paragraph F.1.</p> <p>(d) For Indian tribes: Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposal, paragraph D.1.</p>
DBE	Disadvantaged Business Enterprise
(FAC) Federal Audit Clearinghouse	Site to obtain form SF-SAC and to submit Audits. The last known website address for the FAC home page is https://harvester.census.gov/facweb .
(FAST Act) Fixing America's Surface Transportation Act	FAST Act: Fixing America's Surface Transportation Act signed December 4, 2015 (Public Law No. 114-94) provides long-term funding certainty for surface transportation infrastructure planning and investment. The FAST Act places focus on safety, keeps intact the established structure of the various highway-related programs, continues efforts to streamline project delivery, and provides a dedicated source of federal dollars for freight projects. The FAST Act, effective October 1, 2015, mandates additional requirements relevant to this Scope. The MPO shall incorporate the requirements as requested or required by ADOT or any applicable agency of the US DOT.
FHWA	Federal Highway Administration
Financial Plan (23 CFR 450)	Documentation required to be included with a metropolitan transportation plan and TIP (and optional for the long-range statewide transportation plan and STIP) that demonstrates the consistency between reasonably available and projected sources of Federal, State, local, and private revenues and the costs of implementing proposed transportation system improvements.
Fiscal Year	State Fiscal Year of July 1 through June 30 of the following calendar year
Fiscally Constrained	The metropolitan transportation plan, TIP, and STIP includes sufficient financial information for demonstrating that projects in the metropolitan transportation plan, TIP, and STIP can be implemented using committed, available, or reasonably available revenue sources, with reasonable assurance that the federally supported transportation system is being adequately operated and maintained. For the TIP and the STIP, financial constraint/fiscal constraint applies to each program year. Additionally, projects in air quality nonattainment and maintenance areas can be included in the first two years of the TIP and STIP only if funds are "available" or "committed" 23 CFR 450.104. The work program must also be fiscally constrained.
Fixed Rate Plan	Indirect Cost Plan wherein a fixed rate is agreed to in advance, based on an estimate of future costs, but not retroactively adjusted. Instead, the difference between estimated and actual costs is carried forward to future years.
FTA	Federal Transit Administration
Grantee / Subgrantee	Grantee is used interchangeably with Recipient; Subgrantee is used interchangeably with sub-recipient.
MAP-21: Moving Ahead for Progress in the 21st Century	On July 6, 2012, President Obama signed into law P.L. 112-141, the Moving Ahead for Progress in the 21st Century Act (MAP-21) as the federal funding mechanism for surface transportation programs. MAP-21 creates a streamlined, performance-based, and multimodal program to address the many challenges facing the U.S. transportation system. These challenges include improving safety, maintaining infrastructure condition, reducing traffic congestion, improving efficiency of the

TERM	DEFINITION
	system and freight movement, protecting the environment, and reducing delays in project delivery.
Matching Funds	Monies from non-federally funded sources used for matching or cost sharing requirements as defined and allowed under 2 CFR 200.306 and 2 CFR 200 Subpart E.
Metropolitan Planning Areas	Metropolitan Planning Areas were established by the Governor of Arizona via Executive Order 70-2 dated July 8, 1970.
MPO	Metropolitan Planning Organization
Obligation	The portion of the allocated funds expected to be expended in the current federal fiscal year for the projects associated with the Agreement. If the estimate changes during the year, the amount designated as obligation with the Federal awarding agency must be adjusted and a time delay may occur for actual availability of funds for use. The obligation for the year cannot exceed the funds allocated for the agency.
OMB	Office of Management and Budget
OMB Circular	Available at http://www.whitehouse.gov/omb/circulars_default
Pass-Through Entity	A non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program (2 CFR 200.74).
Performance Measure (23 CFR 490.101)	An expression based on a metric that is used to establish targets and to assess progress toward meeting the established targets (e.g., a measure for flight on-time performance is percent of flights that arrive on time, and a corresponding metric is an arithmetic difference between scheduled and actual arrival time for each flight).
Performance Metric (23 CFR 490.101)	A quantifiable indicator of performance or condition
Performance Target (23 CFR 490.101)	A quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by the Federal Highway Administration (FHWA).
PL	Metropolitan Planning funds
Project	The preparation and adoption of the annual Work Program for the planning area which is supported by federal funds and/or the completion of the elements defined within the Work Program.
Recipient	The agency receiving funds directly from a federal funding source. All requirements placed on the recipient by the federal awarding agency, statute, rules, or directives are passed on to the sub-recipients of that funding.
Revision	Changes that move funds around within a budget without changing scope, elements, or tasks and that do not modify the final total budget amount.
Single Audit, Scope	Any agency expending \$750,000 in federal funds must be audited annually. Pursuant to 2 CFR 200.514, a single audit must be conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS); cover the entire operations of the auditee or include a series of audits that cover departments, agencies, and other organizational units that expended or otherwise administered Federal awards during such audit period; and provided that each such audit must encompass the financial statements and schedule of expenditures of Federal awards for each such department, agency, and other organizational unit.
SPR	State Planning and Research funds
STBG	Surface Transportation Block Grant funds
System for Award Management (SAM) (https://www.sam.gov/SAM/)	The System for Award Management (SAM) is an official website of the U.S. government. There is no cost to use SAM. You can use this site for FREE to Register to do business with the U.S. government, Update or renew your entity registration, Check status of an entity registration, Search for entity registration and exclusion records.
(STIP) State Transportation	A statewide prioritized listing/program of transportation projects covering a

TERM	DEFINITION
Improvement Program (23 CFR 450)	period of 4 years that is consistent with the long-range statewide transportation plan, metropolitan transportation plans, and TIPs, and required for projects to be eligible for funding under title 23 U.S.C. and title 49 U.S.C. Chapter 53.
Sub-recipient	The legal entity to which a sub-award is made and which is accountable to the recipient for the use of the funds provided. Any person or government, department, agency, establishment, for-profit or not-for-profit (non-profit) organization that receives federal funds through ADOT.
Task	A specific task within a work element. For example: A Work Element might be "Data Collection" whereas a task under that element would be "Traffic Counting"
(TIP) Transportation Improvement Program (23 CFR 450)	A prioritized listing/program of transportation projects covering a period of 4 years that is developed and formally adopted by an MPO or MPOs as part of the metropolitan transportation planning process for the MPA, consistent with the metropolitan transportation plan, and required for projects to be eligible for funding under title 23 U.S.C. and title 49 U.S.C. chapter 53.
(UPWP) Unified Planning Work Program (23 CFR 450)	A statement of work identifying the planning priorities and activities to be carried out within a metropolitan planning area. At a minimum, a UPWP includes a description of the planning work and resulting products, who will perform the work, time frames for completing the work, the cost of the work, and the source(s) of funds. (MPD uses "WP" to refer to the annually-required work program in this Agreement.)
U.S.C.	United States Code – available at: http://www.gpo.gov/fdsys/
Work Element	A broad category of work. For example: "Public Participation", "Data Collection", or "Planning" represent work elements.
(WP) Work Program / Work Plan	The annual plan developed in cooperation with ADOT that lists all planning work elements and tasks to be undertaken during a State fiscal year, together with a complete description thereof and an estimated budget.

RESPONSIBILITY MATRIX for TIMED EVENTS

This **RESPONSIBILITY MATRIX FOR TIMED EVENTS** is provided to summarize those compliance items within the scope and/or terms and conditions in this Agreement that contains deadlines, due dates, or required-by dates; and is intended as a quick reference reminder only. In the event that a deadline, due date, or required-by date is not found within this table, the scope and/or terms and conditions in this Agreement take precedence.

Due Date	MPO	ADOT	TASK	REFERENCE
3/31	X		Complete Annual Audit of prior year & Submit Report	Section 6.0 (b) & (d)
4/1	X		Submit Annual Indirect Cost Plan	Section 5.0 (g)
4/1	X		Complete LPA DBE System Reporting	Section 12.21
5/22	X		Submit Approved WP to ADOT Regional Planner	Section 3.0
5/22	X		Submit a Funding Authorization Request Letter per funding source	Section 3.0
Prior to 6/30	X	X	Execute Amendment to Extend Agreement	Section 29.0
7/1	X	X	Close and complete prior year WP	Section 1.0
7/30	X		Submit Final Reimbursement Request (Invoice)	Section 7.0 (e)
7/30	X		Submit final Project Close-Out Letters	Section 7.0 (e)
10/1	X		Complete LPA DBE System Reporting	Section 12.21
7 Days	X		Confirm good faith by contractors or determine action required for LPA DBE system discrepancies	Section 12.10
7 Days	X		Notify the contractor within 7 days of receiving notice from ADOT BECO that a participating DBE is not meeting a Commercially Useful Function	Section 12.16
15 Days	X		Within 15 calendar days after Notice of Procurement Award, enter federally-funded contracts in the LPA DBE System.	Section 12.11
15 Days	X		Report payments to prime contractors in the LPA DBE System no later than 15 days after the end of each month	Section 12.12
30 Days	X		DBE Certification of Final Payment Forms submitted within 30 days of subcontractor work completion	Section 12.20
Last Day of Each Month	X		Monitor and enforce that contractors enter and report subcontractor payments in the LPA DBE System	Section 12.14
2 Weeks Prior to Annual WP Meeting	X		Submit WP draft to ADOT Regional Planner	Section 3.0
Monthly or Quarterly	X		Submit Invoice & Progress Report	Section 7.0 (a)(1) & (2)
Quarterly	X		Submit notice of no activity if applicable	Section 7.0 (a)(3)
Quarterly	X		Submit federal Disclosure of Lobbying Activity, Standard Form LLL if applicable	Section 23.0

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Due Date	MPO	ADOT	TASK	REFERENCE
Quarterly		X	ADOT MPD Finance shall provide a financial statement.	Section 7.0 (b)
5 Business Days of Disclosure	X		Notify ADOT of disclosed Prohibited Interest	Section 14.0
30 Days		X	Issue payment or request for additional support within 30 days of receipt of invoice	Section 7.0 (b)
30 Days	X		Comply with request for additional invoice support	Section 7.0 (b)
30 Days	X	X	Resolve Reconciliation Variances	Section 7.0 (d)
90 days of expiration or termination of grant		X	Submit all financial, performance and related reports for the MPO to the respective Federal Agency	Section 7.0 (e)
Annually		X	Submit FTA Certifications and Assurances to MPO	Section 28.0
Within 90 days of Annual Notification	X		Sign, Affirm, and Return FTA Certifications and Assurances	Section 28.0

Section 1.0 SCOPE OF WORK

(a) Metropolitan Transportation Planning and Programming

The MPO shall perform designated requirements under 23 CFR 450 et seq. For example: the MPO shall develop a metropolitan transportation plan according to the requirements of 23 CFR 450.324 that includes a financial plan 23 CFR 450.324(g)(11), and shall establish a metropolitan TIP (23 CFR 450.326). The requirements under 23 CFR 450 et. seq. are incorporated herein by reference.

The MPO shall maintain an E-STIP account and submit to ADOT MPD a four-to-five year TIP of prioritized projects, approved by the MPO board, by July 1 of each year.

The MPO shall perform designated responsibilities from 23 USC et seq., 49 USC et seq., ARS 28-6993, and any other funding source when funding is allocated from such sources in the approved Work Program. By including a funding type in the Work Program budget, the MPO agrees to adhere to the requirements of each funding type and to perform all designated responsibilities of that funding type. The HURF program is provided here as an example of requirements that may exist. The HURF program derives from ARS 28-6993. However, ADOT Policy FIN-5.01 HURF Exchange Program establishes the requirements for such funding. In the event the MPO accepts an award of HURF funds or uses HURF funds as a source of funding for a project in the WP, the MPO agrees to adhere to the requirements of that policy.

The SUBRECIPIENT shall establish and maintain an entity registration on the federal System for Award Management website: <https://www.sam.gov/SAM/>. This registration will be used by ADOT to confirm eligibility to receive federal funds.

The MPO shall adhere to relevant requirements from the agreements between ADOT and FTA or FHWA, as modified from time-to-time, or provide ADOT with relevant information, data, or reports to aid in ADOT's compliance. The FTA Master Agreement may be located at <https://www.transit.dot.gov/funding/grantee-resources/sample-fta-agreements/fta-grant-agreements>. The FHWA Stewardship Agreement may be located at <https://www.fhwa.dot.gov/federalaid/stewardship>.

In the event that the MPO determines that it will not follow any requirements established by optional funding sources, the MPO shall request an amendment to the Work Program to remove that funding source and/or its funded Projects. In the event reimbursements have already been issued from that funding source, 100% of those reimbursements must be returned to ADOT at the time of amendment request. The MPO may not request removal of funding sources mandated by its designation as an MPO and may not refuse to perform any associated requirements.

(b) Biennial Work Program

The Project under this Agreement is defined as the preparation and adoption of the biennial Work Program (WP) for the Metropolitan Planning Area which is supported by federal funds. The WP is the biennial plan developed in cooperation with ADOT and public transportation providers, that lists all planning work elements and tasks to be undertaken during a fiscal year, together with a complete description thereof, the expected start and completion dates, and an estimated budget, as required by 23 CFR 450.308.

The WP shall include the major work elements the MPO proposes to undertake. Some examples include, but are not limited to: a fiscally constrained Transportation Improvement Program (TIP), Long Range Transportation Plan, data collection for the Highway Performance Monitoring System, a Public Participation Plan, and planning studies. Additional elements related to: transit, energy, programs that encourage and promote the safe and efficient development, management, and operation of surface transportation systems to serve the mobility needs of people and freight (including accessible transportation facilities) and foster economic growth and development while

minimizing transportation-related fuel consumption and air pollution, greenhouse gases, Title VI, and air quality should be included when federally mandated or mutually agreed upon.

The WP shall include an organizational chart describing the functional relationship of MPO Employees. Other organizational information related to member agencies, fiscal agent, legal counsel, governing committee structure, operational procedures, and bylaws shall be available to ADOT upon request.

The WP will include a detailed description of all equipment to be procured during the current period with a purchase price of \$5,000 or greater. Any additional equipment of \$5,000 or greater to be procured throughout the current WP period will require advanced written approval from ADOT, FHWA, and FTA.

Approval shall consist of approval of each WP by the appropriate funding agency, including ADOT, FHWA, FTA, and the MPO Governing Board. Individual work elements or tasks of the WP, although accepted by the federal funding agencies, may be subject to further applicable conditions outlined in federal statute, regulations, or guidance; state statutes, regulations, or rules; or additional guidelines or guidance provided by ADOT.

The approval for any specific WP extends for only the period for which the WP was developed in accordance with Federal requirements.

Portions of the WP not completed during the indicated fiscal year are not eligible for funding, unless specifically included as a project in the succeeding WP. Funding will be authorized on an annual basis.

The effective date of each WP will be July 1 of each year and will be in effect for a twenty-four (24) month period. Upon approval of each new WP, the previous WP shall be closed in accordance with ADOT processes.

The MPO shall commence, carry on, and complete the WP with all practicable dispatch, in a sound, economical, and efficient manner, and in accordance with the provisions hereof, and all applicable laws, including all applicable transportation planning responsibilities.

The MPO shall submit to ADOT such data, reports, records, contracts, and other documents relating to its performance as a Metropolitan Planning Organization as ADOT, the current Federal funding legislation, FHWA, and/or FTA may require.

(c) Performance Provisions and HPMS Data Collection

Pursuant to 23 CFR 450.314(h), the SUBRECIPIENT, the State, and providers of public transportation shall develop specific written provisions for cooperative development and sharing of information related to transportation performance data, the selection and reporting of performance targets, the reporting of performance to be used in tracking progress toward attainment of critical outcomes for the MPOs designated region, and the collection of data for the State asset management plan for the National Highway System.

ADOT acknowledges and accepts the responsibility for data accuracy and timely reporting of Highway Performance Monitoring System (HPMS) data under State Statute and Federal Regulations and Policy. This does not limit the necessary SUBRECIPIENT participation in either the data collection process or meeting reporting requirements requested by the State. In the spirit of the cooperation described in 23 USC 134 and 23 CFR 450 et seq., such participation is requested in the interest of potentially increasing the distribution of FHWA funding to the State, promoting consistency between transportation improvements and State and local planned growth, and enhancing the integration of connectivity of the transportation system across and between modes, providing successful, cohesive, long-range transportation plans.

ADOT encourages the SUBRECIPIENT and its member agencies to continue traffic data collection for their own purposes and to supplement the State's needs on a voluntary basis. There is currently no penalty if a COG, MPO, TMA, or LPA does not participate in performing traffic counts for HPMS compliance purposes; however, ADOT heavily relies on local and regional participation to meet federal compliance, particularly on roadways functionally

classified as Minor Arterials, Major Collectors, and Urban Minor Collectors. In addition to these three categories, ADOT appreciates and values all traffic count data submitted for all roadway classifications as it only enhances our data and ability to provide more accurate traffic data and modelling services to our regional planning partners

The SUBRECIPIENT shall coordinate with ADOT to facilitate the collection of traffic count data as described on the ADOT Multimodal Planning Division Data Analysis Section website: <http://www.azdot.gov/planning/DataandAnalysis>. Such data shall be reported in the Transportation Count Data System (TCDS) on at least a monthly basis in the form of raw data from traffic counting devices. Reporting shall be a collaborative effort among ADOT, COGs, MPOs, TMAs, and member local public agencies. To facilitate this requirement, ADOT shall schedule training sessions and provide ad-hoc support as needed.

(d) Requirements for Pass-Through

In the event that the MPO passes through funds to another entity, the MPO is responsible for meeting the requirements of 2 CFR 200.331.

Section 2.0 **WORK PROGRAM BUDGET**

The WP Budget shall consist of separate statements for WP Years 1 and 2 that include federal, state, local, and other funding sources by work element and task. The MPO shall maintain said WP Budget, carry out the WP, and shall incur obligations against and make disbursements of WP funds only in conformity with the latest approved budget for the WP. As so stated, the approved amount for each specific work element and task shall be consistent with the budgeted amount as defined in the WP.

The WP shall include an indicator for each project in the budget to indicate whether that project is expected to be procured for contractors/consultants to perform the project. The MPD Contracts Program Manager will use that list to submit to ADOT's Business Engagement and Compliance Office (BECO) for advance establishment of the DBE System "contract number" for the project's procurement effort for the AZUTRACS "bidder's list" requirements.

Revisions to the WP Budget may occur periodically and must be made in accordance with 2 CFR 200.308. Revisions to the work program may also require revisions to the STIP, TIP or other requirements relative to 23 CFR 450. However, every revision of the work program may not require formal amendments. Revisions that do not modify the ADOT, FHWA and FTA approved WP final total budget or the overall scope of approved work plan elements or tasks are defined by 23 CFR 450 as "Administrative Modifications".

ADOT, FHWA, and FTA shall be notified of all revisions prior to approval by the MPO.

Changes in the scope of an approved work program element or task and additions or deletions of funds which change the total funding of an approved task shall be considered "amendments" requiring the MPO to obtain prior approval in accordance with 2 CFR 200.308. Pursuant to 2 CFR 200.308(e) and FHWA, the transfer of funds among direct cost categories or programs, functions, and activities in which the Federal share of the project exceeds the Simplified Acquisition Threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency are restricted.

The MPO will submit the revised work plan to the ADOT Regional Planner in writing electronically or by mail summarizing the requested modifications. ADOT will notify FHWA and FTA of the respective modification and advise the MPO of final disposition within 10 days of notice from FHWA or FTA.

A request for prior approval of any budget revision will be in the same budget format (2 CFR 200.308.h) and shall be accompanied by a narrative justification for the proposed revision.

A request for prior approval under the applicable Federal cost principles may be made by letter. A request by the MPO for prior approval will be addressed in writing to ADOT. The awarding agency will promptly review such request and shall approve or disapprove the request in writing.

The MPO shall limit the total amount of funds programmed in the WP for the fiscal period to the following:

- (1) Funds allocated to the MPO for the subject fiscal period from all sources;
- (2) Any unspent funds that had been approved in the previous fiscal period for which final billing had not been received.
- (3) The value of third party in-kind contributions may be accepted as the match for federal funds, in accordance with the provisions of 2 CFR 200.306 and 2 CFR 200 Subpart E. ADOT requires match to be applied on specific work elements or tasks. The amount of in-kind contributions shall be identified in the WP and be accompanied by a narrative description of the service being provided in addition to identification of the organization that will be providing the service and the source of valuation for the dollars attributed to such service.

Section 3.0 **WORK PROGRAM APPROVAL AND TIMELINES**

The MPO will submit a WP draft to the ADOT Regional Planner for review and comments to be incorporated into the WP two weeks prior to the annual Work Program meeting.

The MPO shall submit one hard copy and one electronic copy of the Board approved WP to the ADOT Regional Planner on or before May 22nd. ADOT will submit the MPO WP with the State WP to FHWA and FTA for approval. For funds to be available for use by July 1st, the MPO shall also submit by May 22nd, a fund authorization request letter per funding source to MPDAUTHORIZATION@AZDOT.GOV and cc: the ADOT Regional Planner.

The MPO may not incur any costs for work outlined in the WP or any subsequent amendments prior to receiving written approval from ADOT, FHWA, and FTA. Any costs incurred prior to receiving written approval from ADOT for State funds shall not be eligible for reimbursement. Any costs incurred prior to receiving written approval from the federal awarding agency shall not be eligible for reimbursement from federal funds in accordance with 2 CFR 200.458.

Section 4.0 **RIGHTS OF REVIEW**

As required by 2 CFR 200.336, ADOT, FHWA, and FTA shall have the right to access and review the work (and approval or concurrence as appropriate), including, but not limited to: the WP, the Transportation Improvement Program (TIP), the Long-Range Transportation Improvement Plan, all technical reports, the annual report, and all planning data prepared by the MPO. If ADOT, FHWA, and/or FTA finds that the work performed fails to comply with any requirement (e.g., work elements or tasks are not conducted in accordance with approved Work Programs, or work elements or tasks are found to be inconsistent with federal or state regulations or guidelines, or products/services were incorrectly procured), ADOT, FHWA, and/or FTA may use the enforcement actions contained in 2 CFR 200.338 to remedy the situation and any other appropriate remedies available at law.

Section 5.0 **ACCOUNTING RECORDS**

- (a) Establishment and Maintenance of Accounting Records.

The MPO shall implement strong internal controls for accounting and compliance with grant/funding terms and conditions and ensure that its financial management system and any other system used for documentation or

compliance is appropriate to implement the Work Program. The financial management systems must comply with all the requirements of 2 CFR 200.302.

The MPO shall establish separate Project Accounts for each work element and task of the Work Program Budget, to be maintained within its existing accounting system or set up independently. Such accounts are referred to herein collectively as the Work Program Budget. The Work Program Budget and supporting documentation as set forth in 2 CFR 200 et seq., shall be made available upon request for examination by ADOT, FHWA, and FTA or the Comptroller General of the United States in accordance with the requirements of 2 CFR 200.336.

(b) Funds Received or Made Available for the Work Program

Pursuant to the requirements of 2 CFR 200.307, the MPO shall record in the Project Account all payments received by it from ADOT pursuant to this article and all other funds provided for, accruing to, or otherwise received on accounts of the WP, which ADOT payments and other funds are herein collectively referred to as WP Funds.

(c) Costs Incurred for the Project

The MPO shall charge to each Project Account all eligible costs of the WP. Costs in excess of the latest approved budget or attributable to actions which have not received the required approval of ADOT, FHWA, and FTA shall not be considered eligible costs. Determination of eligible costs shall be in accordance with the requirements of 2 CFR 200.402 through 2 CFR 200.414 and 2 CFR 200.420 through 2 CFR 200.475.

(d) Documentation of Work Program Costs

All costs charged to the WP including any approved services contributed by the MPO or others, shall be supported as required by 2 CFR 200.302 (b)(3) and 2 CFR 200 et seq.

(e) Documentation of Matching Funds

Match is defined as monies from non-federally funded sources used for matching or cost sharing requirements as defined and allowed under 2 CFR 200.306 and 2 CFR 200 Subpart E. Most federally-funded programs cannot use federal funds to provide match but certain exceptions exist to that stipulation. The MPO is responsible for ensuring that match is obtained from sources eligible for the relevant funding source on each Project. The MPO shall maintain records of verifiable matching funds and verifiable third party in-kind contributions as required by 2 CFR 200.306 and 2 CFR 200.302. Costs and third party in-kind contributions counting towards satisfying a cost sharing or matching requirement must be verifiable from the records of grantees and subgrantees or cost-type contractors. These records must explain and demonstrate how the value placed on each third party in-kind contributions was derived.

(f) Checks, Orders, and Vouchers

Any check or order drawn by the MPO with respect to any item which is or will be chargeable against the Work Program will be drawn only in accordance with a properly signed voucher then on file with the MPO stating in proper detail the purpose for which such check or order is drawn. Signed vouchers shall incorporate the certification requirements pursuant to 2 CFR 200.415. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the WP shall be clearly identified, readily accessible, and, to the extent feasible, kept separate and apart from all other such documents, and shall be maintained for at least 5 years after final payment.

(g) Indirect Costs

If the MPO desires to be reimbursed for indirect costs, the MPO must prepare an indirect cost rate proposal and related documentation to support those costs. A governmental department or agency unit that receives more than \$35 million in direct Federal funding must submit its indirect cost rate proposal to its cognizant agency for indirect costs. If the MPO does not receive more than \$35 million in direct Federal funding, the MPO must develop

an indirect cost proposal in accordance with the requirements of 2 CFR 200 Appendix VII and maintain the proposal and related supporting documentation for audit pursuant to 2 CFR 200.333 and submit the proposal to the cognizant agency for indirect costs if required by the cognizant agency to do so.

Pursuant to 2 CFR 200 Appendix II.D.1.d, indirect cost proposals must be developed (and, when required, submitted) within six months after the close of the governmental unit's fiscal year, unless an exception is approved by the cognizant agency for indirect costs. If the proposed central service cost allocation plan for the same period has not been approved by that time, the indirect cost proposal may be prepared including an amount for central services that is based on the latest federally-approved central service cost allocation plan. The difference between these central service amounts and the amounts ultimately approved will be compensated for by an adjustment in a subsequent period.

As a council of governments, even if the MPO is incorporated as a nonprofit corporation under state law, 2 CFR 200 Appendix IV is not applicable. If the MPO receives only pass-through funds, ADOT will be responsible for negotiating and/or monitoring the MPOs indirect costs pursuant to 2 CFR 200 Appendix VII.D.1.b. The cognizant agency for indirect costs will review indirect costs proposals within a reasonable amount of time. The cognizant agency for indirect costs will review central services proposals within six months of receipt of the proposal and either negotiate/approve the proposal or advise the MPO of additional documentation needed to support/evaluate the proposed plan or the changes required to make the proposal acceptable.

After the plan has been approved by the cognizant agency (if required) the MPO must submit the approved plan to ADOT for review. ADOT reserves the right to respond with questions or concerns about the submitted plan, and to request resolution of errors. In the event that ADOT will act as the approver of the plan, ADOT will review the plan in detail following a similar review as completed by federal agencies. The Plan will establish the rate used for billing indirect costs. ADOT will not reimburse the MPO for indirect costs if an Indirect Cost Plan is not in place.

Section 6.0 AUDIT

The administration of resources awarded by ADOT to the MPO may be subject to audits and/or monitoring by ADOT, as described in this section.

(a) Monitoring

In addition to reviews of audits conducted in accordance with 2 CFR 200 Subpart F, et seq., monitoring procedures may include, but not be limited to, on-site visits by ADOT staff or designees, limited scope audits as defined by 2 CFR 200 et seq. and/or other procedures. By entering into this Agreement, the MPO agrees to comply and cooperate fully with any monitoring procedures/processes deemed appropriate by ADOT. In the event ADOT determines that a limited scope audit of the MPO is appropriate, the MPO agrees to comply with any additional instructions provided by ADOT staff to the MPO regarding such audit. The MPO further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the ADOT's Office of Audit and Analysis, ADOT's Office of the Inspector General (OIG), and ADOT's Financial Management Services.

It is the responsibility of the MPO to monitor their sub-recipients.

b) Federally funded

Recipients of federal funds (i.e. state, local government, or non-profit organizations as defined in 2 CFR 200 Subpart F, et seq.,) are to have audits done annually using the following criteria:

1. In the event that the MPO or their sub-recipient expends \$750,000 or more in Federal awards in its fiscal year, the MPO and the sub-recipient must have a Single Audit conducted in accordance with the provisions of 2 CFR 200 Subpart F, et seq. Any non-Federal entity that expends less than

\$750,000 in Federal awards during the non-Federal entity's fiscal year is exempt from Federal audit requirements for that year, except as noted in 2 CFR §200.503: Relation to Other Audit Requirements, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, the State, ADOT, and the Government Accountability Office (GAO). In determining the Federal awards expended in its fiscal year, the MPO and sub-recipient shall consider all sources of Federal awards, including Federal resources received from ADOT. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by 2 CFR 200, et seq. An audit of the MPO conducted by the Arizona Auditor General or an independent auditor in accordance with the provisions 2 CFR 200 Subpart F, et seq. will meet the requirements of this part.

2. In connection with the audit requirements, the MPO shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR 200.508, et seq.
3. If the MPO expends less than \$750,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of 2 CFR 200 Subpart F, et seq., is not required. However, if the MPO elects to have an audit conducted in accordance with the provisions of 2 CFR 200 Subpart F, et seq., the cost of the audit must be paid from non-Federal resources (i.e., the cost of such an audit must be paid from MPO resources obtained from other than Federal entities).
4. If the MPO is exempt from the Federal audit requirements, pursuant to 2 CFR 200.501(d), records must be available for review or audit by appropriate officials and an annual financial report must be submitted to ADOT MPD Finance.
5. Federal awards are to be identified using the Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, and name of the awarding federal agency.
6. In compliance with 2 CFR 200.507, et seq., the audit shall be completed and the report must be submitted within the earlier of 30 days after receipt of the auditor's report(s), or nine (9) months of the end of the audit period.

(c) Other audit requirements

The MPO shall follow up and take corrective action on audit findings. Preparation of summary schedule of prior year audit findings, including corrective action, a timetable for resolution, and current status of the audit findings are required to be submitted to ADOT. Current year audit findings require corrective action, a timetable for resolution, and status of findings will also be reported to ADOT.

If the MPO fails to take corrective action, ADOT will make a determination to:

1. make financial adjustments to the allocated Federal funding as determined appropriate, up to and including repayment by the MPO of disallowed costs, or
2. ADOT may take other action as determined appropriate.

If the MPO has not completed corrective action, a timetable for follow-up should be provided.

Records related to unresolved audit findings, appeals, or litigation shall be retained until the action is completed or the dispute is resolved in accordance with the section titled *REQUISITIONS AND PAYMENTS: Billing Limitation and WP Closeout* of this Agreement. Access to WP records and audit work papers shall be given to ADOT and the Arizona Auditor General. This section does not limit the authority of ADOT to conduct or arrange for the conduct of additional audits or evaluations of state financial assistance or limit the authority of any other state official.

(d) Report submission

1. Copies of reporting packages for audits conducted in accordance with 2 CFR 200 Subpart F, et seq., and required by this section titled AUDIT and/or the section titled REQUISITIONS AND PAYMENTS of this Agreement shall be submitted when required by 2 CFR 200 Subpart F, et seq., directly to each of the following:
 - a. SingleAudit@azdot.gov.
 - b. The Federal Audit Clearinghouse (FAC) designated in 2 CFR 200.512, et seq., at: <https://harvester.census.gov/facweb/>.
 - c. The Federal Highway Administration at Arizona.FHWA@dot.gov.
 - d. Other Federal agencies and pass-through entities in accordance 2 CFR 200 Subpart F, et seq.
2. Copies of written communication between the MPO and the independent auditor in compliance with the Statement on Auditing Standards No 114 and as required by this section titled *AUDIT* of this Agreement shall be submitted by or on behalf of the MPO directly to:
 - a. ADOT at SingleAudit@azdot.gov.
 - b. Any written communication required to be submitted to ADOT pursuant to this Agreement shall be submitted timely in accordance with 2 CFR 200 Subpart F, et seq.
 - c. MPO's, when submitting financial reporting packages to ADOT for audits done in accordance with 2 CFR 200 Subpart F, et seq. should indicate the date that the reporting package was delivered in correspondence accompanying the reporting package.

(e) Record Retention

The MPO, along with their sub-recipients, shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of at least five years from the date the audit report is issued, and shall allow ADOT, FHWA, and FTA or its designee, access to such records upon request. The MPO shall ensure that audit working papers are made available to ADOT, FHWA, and FTA, or its designee, upon request for a period of at least five years from the date the audit report is issued, unless extended in writing by ADOT.

Section 7.0 **REQUISITIONS AND PAYMENTS**(a) Actions by the MPO In order to obtain any payment, the MPO shall:

- (1) Submit no more than monthly and no less than quarterly to ADOT MPD Finance and Administration Mailbox: MPDInvoice@azdot.gov, its payment requisition in the format provided by ADOT in Exhibit A, as amended from time to time, and such other data pertaining to Project Accounts and the WP as ADOT, FHWA, and FTA may require, to justify and support the payment requested. All projects must reflect reimbursements within each calendar quarter. If the MPO chooses to invoice on a quarterly basis only, invoices shall be submitted no later than the 15th day of the third month of each calendar quarter. The purpose of this requirement is to ensure that a payment occurs at a minimum each quarter. Funds not processing payments on a quarterly basis become inactive and may be forfeited. Thus, for those subrecipients choosing to invoice quarterly, adjustments may be made for the prior quarterly invoice period on the next quarterly invoice submission.

Upon implementation of a reimbursement request module within the Arizona E-Grants Grant Management System (E-Grants), the SUBRECIPIENT will be notified which reimbursement requests from that point forward shall be submitted electronically. Subsequent to that notice, invoicing using the Exhibit A form will no longer be accepted. The SUBRECIPIENT agrees that once implemented and notified, all invoices and supporting documentation shall be submitted electronically through E-Grants.

(2) Project-appropriate expenses and costs associated with the Approved Work Plan and the Approved Budget must be supported by receipts and other suitable and appropriate documentation pursuant to 2 CFR 200 Subpart E – Cost Principles, 2 CFR 200 et seq., and ADOT, as appropriate. All support documentation must be dated within the Work Program’s fiscal year (except the final closeout invoicing as described in this Agreement) to be considered eligible. The SUBRECIPIENT may not incur any costs for work outlined in any amendment prior to receiving approval of that amendment. Any costs incurred prior to receiving such written document shall not be eligible for reimbursement in accordance with 2 CFR 200.458.

System-generated ledger report(s) that includes proof of payment (such as check number and date paid) must be submitted with the reimbursement request. Except for travel receipts, detailed support documentation shall be maintained by the SUBRECIPIENT and shall not be submitted to ADOT unless and until requested.

(3) The MPO shall be fully responsible for the proper billing of any federal reimbursable costs or charges, including those incurred by its sub-recipients. Requests for payment shall include documentation of expenditures as required by 2 CFR 200 et seq. and ADOT, as appropriate, and be accompanied by reporting of work accomplished by the MPO as described in the narrative progress report.

The narrative progress report shall describe the work and products accomplished which adequately justify and support the payment requested;

Project Summary. A tabular summary must be submitted with the Progress Report that lists all work elements / projects of the WP showing the budget of that item, every funding source contributing toward completing that item, the amounts billed to date, the total remaining work element/project balance, and the percent billed. Refer to Exhibit A examples. This report is designed to indicate each work element/project in the Work Program, and all of its funding sources for the entirety of the project. This report is intended to demonstrate the progress of a project across all funding sources, not only those funds administered by ADOT to ensure that funds distributed through ADOT result in completed projects. Each project must be reflected on this report for the duration of the Work Program.

(4) If no costs were incurred in the quarter, submit a statement to the ADOT Regional Planner so indicating but be aware that projects deemed inactive or not showing any forward progress may be in jeopardy of losing funding pursuant to federal rules and/or ADOT policy.

(5) Comply with all applicable provisions of this Agreement.

(6) **Certifications Required:** As required pursuant to 2 CFR 200.415 to assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements must include a certification, signed by an official who is authorized to legally bind the MPO, which reads as follows:

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may

subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).”

(7) **Financial Management:** The MPOs financial management systems must comply with all the requirements of 2 CFR 200.302.

(b) ADOT’s Obligations

ADOT MPD Finance shall provide a financial statement to the SUBRECIPIENT on at least a quarterly basis.

Subject to other provisions hereof, ADOT will approve and honor such requisitions in amounts deemed proper in accordance with 2 CFR 200 et seq. to ensure the implementation of the WP and will reimburse eligible costs thereof in accordance herewith.

In accordance with 23 U.S.C. 104 and specific guidance from ADOT, FHWA and FTA, ADOT will reimburse the MPO for actual expenses incurred by the MPO in furtherance of the WP. Requests for payment shall include documentation of expenditures as required by 2 CFR 200 et seq., and ADOT, as appropriate, and be accompanied by reporting of work accomplished by the MPO as described in the narrative progress report.

ADOT will reimburse the MPO no later than 30 days from receipt of the request for reimbursement from the MPO. If ADOT believes the MPO did not provide adequate supporting documentation for reimbursement claims ADOT will reject the invoice, which will require resubmission by the MPO.

Notwithstanding any other provision of this section, ADOT may, by providing written notice, elect not to make a payment in the event of:

- (1) Misrepresentation: The MPO made a misrepresentation of a material nature in its WP, or any supplement thereto or amendment thereof, or in or with respect to any document of data furnished therewith or pursuant hereto;
- (2) Litigation: There is then pending litigation with respect to the MPO’s performance of any of its duties or obligations which may jeopardize or adversely affect the WP, this Agreement, or payments to the MPO;
- (3) Concurrence by ADOT: The MPO has taken any action pertaining to the WP which requires the prior approval of ADOT, FHWA, and FTA or has made related expenditures or incurred related obligations without having been advised by ADOT, FHWA and , FTA that the same are approved and satisfactory;
- (4) Conflict of Interests: The MPO has violated any of the conflict of interest provisions of this Agreement.

(c) Disallowed Costs

In determining the amount of the payment, ADOT will exclude all WP costs incurred by the MPO prior to the effective date of this Agreement, costs incurred by the MPO which are not provided for in the latest approved Work Program Budget, and costs attributable to goods or services received under a contract or other arrangements which have not been approved in writing by ADOT.

It is agreed by the MPO that where official audits or reviews disclose that the MPO has been reimbursed by ADOT for ineligible work, under applicable federal and state regulations, that the value of such ineligible items will be deducted by ADOT from subsequent reimbursement requests following determination of ineligibility. Upon receipt of a notice of ineligible items the MPO may present evidence supporting the propriety of the questioned reimbursements. Such evidence will be evaluated by ADOT, and the MPO will be given final notification of the amounts, if any, to be deducted from subsequent reimbursement requests.

In addition, the MPO agrees to promptly reimburse ADOT within 30 days for any and all amounts for which ADOT has made payment to the MPO if such amounts become ineligible, disqualified, or disallowed for federal

reimbursement due to any act, error, omission, or negligence of the MPO. This includes omission or deficient documentation of costs and charges, untimely, incomplete, or insufficient submittals, or any other reason declared by the applicable Federal Agency or ADOT.

The MPO agrees that ADOT may offset such amounts from payments due for work or services done under any agreement between the parties if payment from the MPO is not received by ADOT after the 30th day from the written notice from ADOT. Offsetting any amount pursuant to this paragraph shall not be considered a breach of contract by ADOT.

(d) Reconciliation Process

The form shown in Exhibit A consists of the Billing Summary / Reimbursement Request, Subrecipient Project Summary, and the narrative progress report along with any required supporting documentation will be used as the tool to ensure that all invoices have been properly accounted for by both parties and to ensure both parties are in agreement as to the remaining balances for each work element and funding source. If there are variances, ADOT and the MPO shall research and resolve the variance within 30 days. The MPO shall be responsible for providing any necessary supplemental information to reconcile variances.

(e) Billing Limitation and WP Closeout

The SUBRECIPIENT shall submit to the ADOT MPD Finance & Administration invoices and documents necessary for the close out of the project. Final invoices are due to ADOT no later than July 30th. If a SUBRECIPIENT anticipates that it will not have its final invoices submitted to ADOT by the July 30th deadline, the SUBRECIPIENT shall notify ADOT in writing, subject to ADOT MPD Finance approval. ADOT will accept no further billings and will not reimburse for work accomplished on the task or subtask as defined in the WP after the July 30th unless a time extension has been requested by the SUBRECIPIENT and approved by ADOT MPD Finance. Project Close-Out Letters should be submitted to MPDAUTHORIZATION@AZDOT.GOV and cc: the ADOT Regional Planner for each funding type as each project completes, but at a minimum, shall be submitted by July 30th of each WP funding year for each funding type.

In accordance with 2 CFR 220.343, within 90 days of the expiration or termination of the grant of funds for a WP, ADOT will submit all financial, performance and related reports for the MPO to the respective Federal Agency. After the WP has been closed, ADOT will de-obligate and re-obligate those funds to reflect the use of those funds in the new program year. ADOT will provide a copy of the de-obligation and re-obligation authorization within 10 business days after receipt from the federal agency.

The MPO understands that if it fails to timely perform its obligations, or in a timely manner submit invoices and documents necessary for the close out of the WP, the maximum limiting amount may become unavailable or reduced due to a removal or withdrawal of federal funds and ADOT will have no obligation to provide funds from other sources. The MPO agrees that in the event the maximum limiting amount of this Agreement is reduced by such removal, withdrawal, or loss of funds, the MPO will be solely responsible for payment of costs and outstanding invoices no longer reimbursable due to the loss of funding.

(f) Availability of Funds

Every payment obligation of ADOT under this contract is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by ADOT at the end of the period for which the funds are available. No liability shall accrue to ADOT in the event this provision is exercised, and ADOT shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

(g) Lapsing Funds

When funds are approaching expiration, ADOT will work in collaboration with the MPO to obligate the funds and enable expenditure prior to expiration. However, in accordance with FTA Circular 9030.1, 5307 Grant Program funds remaining available for obligation 90 days prior to the expiration of their period of availability (year for which apportioned plus three) may be used by ADOT in any area within the state without prior consultation.

Section 8.0 **PROCUREMENT, FIXED ASSETS, TRAVEL**

(a) Procurement Policy

Pursuant to the authority granted in 2 CFR 1201.317 for States to determine the policies and procedures for sub-recipients of the State to follow when procuring property and services under a Federal award, ADOT Multimodal Planning Division herein establishes this procurement rule:

1. If the sub-recipient is a local public agency or political subdivision of this state and has adopted the State Procurement Code pursuant to ARS 41-2501, the sub-recipient shall follow the State Procurement Code except and unless a federal rule applicable pursuant to the rules for the funding or federal program is more restrictive, then the federal requirement shall apply.
2. If the sub-recipient has completed procurement self-certification processes through ADOT, the sub-recipient shall follow the certified procurement rules except and unless a federal rule applicable pursuant to the rules for the funding or federal program is more restrictive, then the federal requirement shall apply.
3. All other sub-recipients shall follow 2 CFR 200.317 through 200.326 as applicable, Appendix II to Part 200, other CFR references provided in 2 CFR part 200 et seq, except and unless a federal rule applicable pursuant to the rules for the funding or federal program is more restrictive, then the federal requirement shall apply..

The MPO certifies that all procurement related to the WP and/or this Agreement shall include a fully executed contract with its vendor prior to incurring expenditures for that procurement and shall comply with all applicable federal, state, local, and tribal regulations.

Each procurement must reference the DBE System “contract/project number” designated for the AZUTRACS “bidder’s list” purposes that were established in advance with the submission of the WP. In the event new procurements not originally referenced in the WP occur, contact MPDCONTRACTS@AZDOT.GOV to coordinate the new “contract/project number” to be used in AZUTRACS goal assessment requests and bidder’s lists. Post award, the DBE System “contract number” for each procurement that is entered into the DBE system shall be reported to the MPDCONTRACTS@AZDOT.GOV and cc: the ADOT Regional Planner. This may be achieved by cc’ing MPDCONTRACTS@AZDOT.GOV and the ADOT Regional Planner on the FHWA Monthly Report submission if desired by the SUBRECIPIENT.

In addition to other clauses required throughout this Agreement or by State law, the MPO shall include applicable contract provisions in every third-party contract / purchase order using federal funding summarized (but not limited to) the following:

1. The requirements in 2 CFR 200.326,
2. The requirements in 2 CFR 200 Appendix II,
3. FHWA funded procurements/contracts located at:
www.fhwa.dot.gov/programadmin/contracts/core02.cfm and
www.fhwa.dot.gov/construction/cqit/form1273.cfm and

- <http://www.fhwa.dot.gov/construction/contracts/provisions.cfm>, as revised from time to time,
4. FTA funded procurements/contracts: Circular 4220 Third Party Contracting Guidance or its Appendix D, as revised from time to time, available at: <https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/third-party-contracting-guidance>. Procurement Pro from National RTAP can be a good resource for the required federal language except that the State DBE and Title VI required language must also be included. Using Procurement Pro does not relieve the sub-recipient from the responsibility of ensuring that all the terms and conditions are complete and in compliance with Federal, State, and Local regulations.
 5. Any requirements established by a particular funding type, program, or in funding agency guidelines
 6. Provisions for Prompt Payment deadlines. The funding in this Agreement includes reimbursement of expenditures necessary to accomplish the work program. Payment may not rely on receipt of funds from ADOT before paying vendors/contractors/consultants.
 7. The requirements in 23 CFR 420.121 (i).

The SUBRECIPIENT certifies that it shall communicate contractual requirements to contractors and sub-contractors and ensure all the requirements of this Agreement are incorporated by means of a contract or other legally binding documents stipulating the contractor and/or sub-contractor's responsibility to comply with this Agreement.

(b) Use, and Disposition of Real Property and Equipment

The procurement, use, and disposition of real property and equipment shall be consistent with the approved WP and in accordance with the requirements of 2 CFR 1201.313, 2 CFR 200.313, and ADOT Policy FIN-11.08; Federal Property Management Standards which is herein incorporated by reference and made a part of this Agreement. The MPO agrees to inventory, to maintain records of and to insure the proper use, control, and disposal of all property, equipment, computer hardware, and furniture, acquired pursuant to funding under this Agreement.

(c) Travel

All travel for the MPO and its Vendors funded through the WP Projects must comply with the State policies for Travel. In the event the MPO chooses to reimburse vendors or employees at rates higher than those authorized in State travel policy, when submitting travel reimbursement requests, each receipt must indicate the amount excluded from the reimbursement request. The MPO may not request reimbursement for costs not permissible under State policy. All travel may be directly approved by the MPO consistent with and in support of identified work tasks contained within the approved WP. The WP shall contain an estimated travel schedule for planned or anticipated out-of-state travel. Only actual expenses are reimbursable, within maximum reimbursement limits as described and established by the rates for travel: A.R.S. 38-621 through 38-627, Reimbursement for Expenses; State of Arizona Accounting Manual (SAAM), Section 50.65, Vendor Travel, Section 50.95 Reimbursement Rates available at <https://gao.az.gov/publications/saam>. The MPO shall also comply with the policies governing individually operated motor vehicles in Section 50.15 of the SAAM. Travel costs paid to vendors or other non-ADOT-employees must always be supported by appropriate documentation and in the case of rental vehicles, the ADOT approved justification form.

The Director of the MPO, or the person or office to whom such authority may be delegated in writing by the Director, may approve lawful and justifiable travel requests submitted by the MPO's staff subject to the availability of funds when such travel furthers the interests of the MPO and the purposes of this Agreement.

The Director of the MPO, or the person to whom such authority may be delegated in writing by the Director, shall approve requests for reimbursement of travel expenses incurred pursuant to an approved travel request for lawful expenses incurred by the traveler. Reimbursement of lawful travel expenses incurred by members of the MPO shall be from funds made available to the MPO for travel expenses incurred in the performance of this Agreement, subject to the availability of funds.

Section 9.0 **CONTRACTS OF THE MPO**

When a contract is written for multiple years and each year's funding is not specified in the written agreement, a two party document (amendment or signed acknowledgement) must be executed by the MPO and its consultant that specifies the next fiscal year's funding approval upon availability of funds.

Section 10.0 **PUBLICATIONS**

All reports and maps completed as a part of this Agreement, jointly written or produced by the MPO, except copies of such documents made for the exclusive internal use of the MPO, shall include an acknowledgment on the front cover or a title page, or in the case of maps, in the title block, which identifies the cooperative parties.

In addition, in accordance with 23 CFR 420.117(e), all such documents shall contain the following disclaimer statement:

"This report was funded in part through grant[s] from the Federal Highway Administration and/or Federal Transit Administration, U.S. Department of Transportation. The contents of this report reflect the views and opinions of the author(s) who is responsible for the facts and accuracy of the data presented herein. The contents do not necessarily state or reflect the official views or policies of the U.S. Department of Transportation, the Arizona Department of Transportation, or any other State or Federal Agency. This report does not constitute a standard, specification or regulation".

Section 11.0 **TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**

The SUBRECIPIENT HEREBY AGREES THAT as a condition to receiving any Federal financial assistance provided by the U.S. Department of Transportation it will comply with Title VI of the Civil Rights Act of 1964, as amended, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the Act), the Civil Rights Restoration Act of 1987 (Public Law 100.259) and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the U.S. Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the Regulations) and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the U.S. Department of Transportation, including the Federal Transit Administration (FTA), Federal Highway Administration (FHWA) and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a)(1) of the Regulations. The SUBRECIPIENT shall also incorporate and comply with the terms and conditions established in Appendix A.

Title VI/Non-Discrimination Assurances: This Agreement is subject to the provisions of Title VI of the Civil Rights Act and the SUBRECIPIENT is herein notified of such. Additionally, the SUBRECIPIENT shall include the following information in each of its agreements/contracts associated with the WP.

The Arizona Department of Transportation, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252.42 U.S.C. §§ 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, *Federal Highway Administration*, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performance by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the *Federal Highway Administration* to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the *Federal Highway Administration*, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the *Federal Highway Administration* may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with request to any subcontract or procurement as the Recipient or the *Federal Highway Administration* may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1687 *et seq.*).

Section 12.0 Disadvantaged Business Enterprises (DBE)

The SUBRECIPIENT receiving DOT-assisted transportation funds through ADOT must adopt and implement ADOT's DBE Program Plan, ADOT's DBE policy, DBE contract specifications and forms as a condition of receiving federal funds. ADOT Subrecipients/Subgrantees of federal funds must comply with ADOT DBE Plan and may not have a plan independent from ADOT.

The ADOT DBE Program Plan and LPA/SUBRECIPIENT DBE Guidelines are located online at <http://www.azdot.gov/business/business-engagement-and-compliance> and are herein incorporated by reference.

Non-Discrimination

The SUBRECIPIENT will not exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of race, color, sex, national origin, age, or disability.

In compliance with the ADOT DBE Program Plan, the SUBRECIPIENT/SUBGRANTEE shall not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program. The SUBRECIPIENT will not exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of race, color, sex, national origin, age, or disability.

The SUBRECIPIENT shall take all necessary actions required under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts.

By executing this Agreement, the SUBRECIPIENT, agrees to perform the following minimum DBE Program Compliance Required Activities:

FHWA Funded Projects	FTA Funded Projects	Item Number	DBE Program Compliance Required Activities
✓	✓	1	Designate a Disadvantaged Business Enterprise Liaison Officer (DBELO), responsible for adopting and implementing ADOT's DBE Program Plan; acting as the single point of contact for DBE compliance.
✓	✓	2	Adhere to the ADOT DBE Program Plan and concomitant procedures.
✓	✓	3	Follow ADOT's guidelines and procedures, and use the forms developed by ADOT to implement its DBE program.
✓	✓	4	Participate in training conducted by ADOT related to DBE requirements and program regulations
✓	✓	5	Require firms that work on DOT-assisted contracts to register in AZ UTRACS.
✓	✓	6	Encourage small firms to register as an SBC (Small Business Concern) via the AZ UTRACS web portal.
✓	✓	7	Utilize certified DBEs found in the AZ UTRACS web portal.
✓	✓	8	Include the DBE contract goal as provided by ADOT BECO for FHWA-funded (and Race-Neutral Agency Voluntary Participation Goal for FTA-funded) contract bid advertisement, bid package, statement of qualification, request for proposal or other solicitation documents.
✓	✓	9	Include applicable DBE contract specifications as provided by ADOT in all DOT-assisted contract bid advertisements, bid packages, statements of qualification, requests for proposal or other solicitation documents.
✓	✓	10	The SUBRECIPIENT shall confirm good faith by the contractor or determine any action required in response to the contractor submission of a verifiable explanation of the discrepancy in the DBE System as early as practicable but in no case later than seven days after reviewing relevant documentation.
✓	✓	11	No later than 15 calendar days after Notice of Procurement Award to a Vendor/Contractor, the SUBRECIPIENT shall enter the name, contact information, and subcontract amounts for all Contracts with federal funding participation associated with this Grant Agreement.

FHWA Funded Projects	FTA Funded Projects	Item Number	DBE Program Compliance Required Activities
✓	✓	12	No later than 15 days after the end of each month, report payments to prime contractors within the ADOT Local Public Agencies DBE Reporting System located at www.arizonalpa.dbesystem.com .
✓	✓	13	Submit contract data in support of monthly, semi-annual and annual federal reporting submission made by ADOT. Subrecipients/Subgrantees, Certification Acceptance Agencies and LPAs are required to use the ADOT Local Public Agencies DBE System, via www.arizonalpa.dbesystem.com
✓	✓	14	Monitor and enforce that contractors enter and report subcontractor payments by the last day of each month in the LPA DBE System and that Prompt Payment of DBEs and other subcontractors are monitored and enforced. Monitoring is accomplished through the LPA audit process and its notifications.
✓	✓	15	Monitor and ensure Contractor compliance with DBE policies and regulations, including with the ADOTs concurrence, deems appropriate, which may include, but is not limited to: <ul style="list-style-type: none"> - Withholding payments; - Assessing sanctions; - Liquidated damages; and/or - Disqualifying the contractor from future bidding on the grounds of being non-responsible.
✓	✓	16	ADOT may conduct project site visits to ensure all DBEs are meeting a Commercially Useful Function (CUF) on each DOT-assisted contract. Any DBE determined to not be performing a commercially useful function will be notified by the SUBRECIPIENT within seven calendar days of the decision. In the event that the DBE appeals the decision to ADOT's Business Engagement and Compliance Office, the decision remains in effect unless and until ADOT BECO reverses or modifies Grantee decision. ADOT BECO will promptly consider any appeals and notify the contractor of the ADOT BECO findings and decisions. Decisions on CUF matters are not administratively appealable to USDOT.
✓	✓	17	Implement monitoring and enforcement mechanisms to enforce the terms of the contract, including application of applicable sanctions, as needed, for payment reporting, prompt payment, DBE termination/substitution and not meeting the DBE contract goal.
✓	✓	18	Follow DBE contract specification to notify ADOT BECO and ADOT PM in writing to secure ADOT BECO's approval prior to any termination, substitution, or reduction of work of a committed DBE firm used to meet the contract goal.
✓	✓	19	Monitor DBE utilization on projects and notifying ADOT BECO as soon as SUBRECIPIENT is aware of a potential issue that may affect DBE commitments made at award.
✓	✓	20	Ensure that all DBE Certification of Final Payment Forms are submitted by contractors within 30 days of subcontractor completing the work and submit a copy to ADOT BECO.
✓	✓	21	Ensure timely contract closeout by ensuring all subcontractor payments are reported in the DBE System, closeout contracts in the LPA DBE reporting system, and complete all mandatory reporting requirements in the LPA DBE system by April 1st and October 1st of each year.

FHWA Funded Projects	FTA Funded Projects	Item Number	DBE Program Compliance Required Activities
✓	✓	22	Part of the proposal submission during a formal procurement (RFP, IFB, etc.), the SUBRECIPIENT must incorporate receipt of a bidder's list into the responsiveness / susceptible for award determination. FAILURE TO SUBMIT THE REQUIRED BIDDERS/PROPOSERS LIST TO THE GRANTEE PROCUREMENT OFFICE BY THE STATED TIME AND IN THE MANNER HEREIN SPECIFIED SHALL BE CAUSE FOR THE BIDDER BEING DEEMED INELIGIBLE FOR AWARD OF THE CONTRACT.
✓	✓	23	Cooperate with ADOT or DOT audits and site visits for DBE regulation and contract compliance; providing access to procedures; project files; and enabling onsite interviews with contracting, financial, DBE compliance, and project staff.
✓	✓	24	Each contract you sign with a contractor or consultant and each subcontract a prime signs with a subcontractor must include the following assurance:
✓	✓	24.a	<p><i>A vendor/contractor/consultant/subcontractor/subconsultant (herein after referred to as "contractor") shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor to carry out these requirements represents a material breach of this contract, which may result in the termination of this contract or such other remedy as the Grantee, with the Department's concurrence, deems appropriate, which may include, but is not limited to:</i></p> <ul style="list-style-type: none"> · <i>Withholding payments;</i> · <i>Assessing sanctions;</i> · <i>Liquidated damages; and/or</i> · <i>Disqualifying the contractor from future bidding on the grounds of being non-responsible.</i>
✓	✓	24.b	<i>Each contractor shall establish a program that will ensure nondiscrimination in the award and administration of contracts and subcontracts.</i>
✓	✓	24.c	<i>Each contractor shall designate a full time employee who shall be responsible for the administration of the contractor's DBE program.</i>
✓	✓	24.d	<i>Each contractor shall prohibit agreements in which a DBE promises not to provide subcontracting quotations to other bidders.</i>
✓	✓	24.e	<i>Subcontract Payment Reporting in the DBE system:</i>
✓	✓	24.e.1	<i>The Arizona Department of Transportation (the Department) is required to collect data on DBE and non-DBE participation, including lower tier subcontracts, to report to FTA on Federal-aid projects. The contractor is notified that such record keeping is required by the Department for tracking DBE participation on both race neutral and race conscious projects (i.e. projects with and without DBE goals).</i>
✓	✓	24.e.2	<i>The contractor shall respond to Subrecipient payment audits reported each month electronically through the Department's web-based payment tracking system (https://adot.dbesystem.com), reporting its payments to all DBEs and non-DBE subcontractors working on the project. In addition, the contractor shall require that all DBE and non-DBE subcontractors, shall also respond to its audits and report lower-tier subcontractor payments in the same manner.</i>

FHWA Funded Projects	FTA Funded Projects	Item Number	DBE Program Compliance Required Activities
✓	✓	24.e.3	<i>If, by the DBE system audit deadline, the contractor has not submitted the required report for work performed during the preceding month, or the submitted report failed to include all amounts earned by and paid to all DBEs and non-DBEs, including all lower-tier DBE and non-DBE subcontractors, the Project Manager will work with the ADOT MPD Program Manager to determine if sanctions should be assessed. These liquidated damages shall be in addition to all other reductions or liquidated damages provided for elsewhere in the contract.</i>
✓	✓	24.f	<i>The contractor shall include these provisions in all of its subcontracts, and ensure that its subcontractors include these provisions in any lower-tier subcontracts.</i>
	✓	24.g	Any language provided in this Agreement DBE Section supersedes language provided by ProcurementPro for FTA-funded contracting requirements.
✓		25	Submit all FHWA DOT-assisted contracts to ADOT to be assessed for a DBE goal.
✓		26	Notify the ADOT PM and ADOT Business Engagement and Compliance Office (BECO) in writing immediately following DOT-assisted project a) bid opening of architect & engineering, design, or construction low bidder or b) selected professional services when the contractor and/or consultant indicates on the DBE Assurance Form that the DBE contract goal cannot be met.
✓		27	Submit all Good Faith Effort documentation to ADOT BECO for review and concurrence prior to awarding of DOT-assisted contracts.
✓		28	Collect DBE Affidavits (FHWA-funded contracts only), bidder/proposer list confirmation email and all other ADOT required forms and submit to ADOT BECO in accordance with the applicable FHWA Compliance Checklist MPOs and COGs available at website www.azdot.gov/beco .
✓		29	Ensure the receipt of Bid Verification Notice from ADOT BECO prior to contract award.
✓		30	Prior to final payment on any Project with a designated DBE goal, the SUBRECIPIENT shall determine whether the consultant met the designated DBE goal. Where the goal was not met, the SUBRECIPIENT must forward the written determination document and a copy of the final invoice to the ADOT MPD Liaison/Project Manager, who will work with the BECO compliance office to determine if a sanction is required. In the event a sanction is required, the SUBRECIPIENT will reduce the final payment on the Project by the fee, copying the vendor with the sanction notice provided by ADOT.

Section 13.0 DEBARMENT/SUSPENSION

The federal funding in this Agreement is considered a covered transaction under 2 CFR 1200.220 for purposes of debarment and suspension considerations. Thus both sub-recipient pass-through agreements and agreements for contractors, subcontractors, suppliers, consultants or its agent or representation in any transaction is subject to this requirement. The MPO is prohibited from making any award or permitting any award at any tier to any party which has not established and maintained its entity registration on the federal System for Award Management or one that is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs pursuant to 2 CFR 200.212. The MPO agrees to comply, and assures the compliance of each third-party contractor and sub-recipient at any tier, with Executive Orders Nos. 12549 and 12689, "Debarment and

Suspension," 31 U.S.C. § 6101 note, and U.S. DOT regulations, "Government-wide Debarment and Suspension Non-procurement)," and 2 CFR 200.212. The SUBRECIPIENT agrees to and assures that its third party contractors and sub-recipients will review the Excluded Parties Listing System and assure that its subrecipients establish and maintain entity registration on the System for Award Management before entering into any contracts.

Section 14.0 PROHIBITED INTERESTS

Neither the MPO nor any of its contractors or their subcontractors shall enter into any contract, subcontract, or arrangement in connection with the WP or any property included or planned to be included in the WP, in which a member, officer, or employee of the MPO either during his tenure or for one year thereafter has any interest, direct or indirect. If any such present or former member, officer, or employee involuntarily acquired or had acquired prior to the beginning of his or her tenure any such interest, and if such interest is immediately disclosed to the MPO, the MPO may waive the prohibition contained in this paragraph, provided, that any such present member, officer, or employee shall not participate in any action by the MPO or the locality relating to such contract, subcontract, or arrangement. The MPO must disclose any such interest to ADOT within five business days of receipt of disclosure.

The MPO shall insert in all contracts entered into in connection with the WP or any property included or planned to be included in any WP, and shall require its contractors to insert in each of their subcontracts, the following provision:

“No member, officer, or employee of the MPO either during his or her tenure or for one year thereafter shall have any interests, direct or indirect, in this contract or the proceeds thereof.”

The provisions of this paragraph shall not be applicable to any agreement between the MPO and its fiscal depositories, or to any agreement for utility services the rates for which are fixed or controlled by a governmental agency.

Pursuant to 2 CFR 1201.112, the MPO shall disclose in writing any potential conflict of interest to ADOT, who shall inform the Federal awarding agency in accordance with applicable Federal awarding agency policy.

Section 15.0 GRATUITIES

Employees of the MPO shall not accept any benefits, gifts, or favors from any person doing business with, or who may do business with the MPO under this Agreement.

Any person doing business with, or who may do business with the MPO under this Agreement may not make any offer of benefits, gifts, or favors to the MPO employees. Failure on the part of the MPO to adhere to this policy may result in termination of this contract.

Section 16.0 BONUS OR COMMISSIONS

By execution of this Agreement, the MPO represents that it has not paid and, also agrees not to pay, any bonus or commission for the purpose of obtaining approval of its application for the financial assistance hereunder.

Section 17.0 CONFLICT AND DISPUTE RESOLUTION PROCESS

The affected parties to this Agreement shall, at a minimum, ensure the attempted early resolution of conflicts relating to such matters. Early resolution shall be handled by direct discussion between the following officials: for ADOT - the Multimodal Planning Division Director; and for the MPO - the Director or designee.

If the conflict remains unresolved, the conflict shall be resolved by the following Senior Agency Officials: for ADOT - the Executive Director for Planning and Policy; and for the MPO - the Director or designee.

If the conflict continues to remain unresolved, the conflict shall be resolved by the following Executive Agency Officials: for ADOT - the Agency Director; and for the MPO - the Director or designee.

If resolution is not accomplished, the parties agree to resolve all disputes through arbitration, after exhausting applicable administrative review and if required by applicable law, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes or regulations (49 C.F.R. 18.43 (5) (b)).

Section 18.0 SUSPENSION OR TERMINATION FOR CONVENIENCE

ADOT reserves the right to terminate the Agreement, in whole or in part at any time, when in the best interests of ADOT without penalty or recourse. Upon receipt of the written notice, the MPO shall stop all work, as directed in the notice, notify all sub-recipients of the effective date of the termination and minimize all further costs to ADOT. In the event of termination under this paragraph, all documents, data and reports prepared by the MPO under this Agreement shall become the property of and be delivered to ADOT upon request. The MPO shall be entitled to receive just and equitable compensation for work in progress, work completed, and materials accepted before the effective date of the termination. The MPO shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as directed in the termination notice.

ADOT shall reimburse the MPO for those eligible expenses incurred during the Agreement period which are directly attributable to the completed portion of the work covered by this Agreement, provided that the work has been completed in a manner satisfactory and acceptable to ADOT. The MPO shall not incur new obligations for the terminated portion after the effective date of termination.

ADOT may seek any remedy available at law for recovery of any funds paid to MPO for any and all amounts for which ADOT has made payment to the MPO if such amounts are not directly attributable to the completed portion of the work covered by this Agreement or have been paid to the MPO for work completed after the effective date of the termination.

In addition to the rights reserved in the Agreement, ADOT may terminate the Agreement in whole or in part due to the failure of the MPO to comply with any term or condition of the Agreement, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Agreement.

This Agreement may be terminated by either party provided that a termination shall not be effective until 30 days after a Party has served written notice up on the other Party. This Agreement may be terminated by mutual consent of both Parties or unilaterally by either Party without cause.

Section 19.0 FORCE MAJEURE

Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

Section 20.0 INDEMNIFICATION

The parties to this contract agree that the State of Arizona, its departments, agencies, boards, commissions and universities shall be indemnified and held harmless by the MPO for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

In addition, the MPO shall cause its contractor(s) and subcontractors, if any, to indemnify, defend, save and hold harmless the State of Arizona, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the MPO's contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

Section 21.0 INSURANCE REQUIREMENTS

Proper permits should be obtained to conduct business or work on ADOT's right of way when applicable.

For any Project where a Vendor will be hired to perform Construction, the following minimum insurance shall be required as part of that procurement:

Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$2,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Agreement.

- Combined Single Limit (CSL) \$1,000,000

Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
 - Each Accident \$1,000,000

- Disease – Each Employee \$1,000,000
- Disease – Policy Limit \$1,000,000

1. Policies shall be endorsed, as required by this written agreement, to include the State of Arizona and the Arizona Department of Transportation as additional insureds with respect to liability arising out of all activities performed by, or on behalf of the Subrecipient. (Workers Compensation is exempt from this requirement)

2. Policies shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona and the Arizona Department of Transportation for losses arising from work performed by or on behalf of the Subrecipient.

Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1. The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
2. Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission.

Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1. All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.
2. Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3. All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

Approval and Modifications

ADOT, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

Exceptions

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Submissions

All insurance certificates and/or endorsements shall be emailed to MPD1@azdot.gov or MLB_MPD@azdot.gov. The SUBRECIPIENT and its contractors/sub-contractors shall cooperate with ADOT Risk Management as appropriate to assure insurance coverage meets applicable requirements.

Section 22.0 COPYRIGHT AND PATENT

Indemnification: To the extent permitted by A.R.S. § 41-621 and § 35-154, the MPO shall indemnify and hold harmless ADOT against any liability, including costs and expenses, for infringement of any patent, trademark, or copyright arising out of this Agreement performance or use by ADOT of materials furnished or work performed under this Agreement. ADOT shall reasonably notify the MPO of any claim for which it may be liable under this paragraph.

Copyrights pursuant to 23 CFR 420.121 (b): The State DOTs and their subrecipients may copyright any books, publications, or other copyrightable materials developed in the course of the FHWA planning and research funded project. The FHWA reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for Government purposes.

Patents pursuant to 23 CFR 420.121 (i): The State DOTs and their subrecipients are subject to the provisions of 37 CFR part 401 governing patents and inventions and must include or cite the standard patent rights clause at 37 CFR 401.14, incorporated herein as Exhibit D, except for §401.14(g), in all subgrants or contracts. In addition, State DOTs and their subrecipients must include the following clause, suitably modified to identify the parties, in all subgrants or contracts, regardless of tier, for experimental, developmental or research work: "The subgrantee or contractor will retain all rights provided for the State in this clause, and the State will not, as part of the

consideration for awarding the subgrant or contract, obtain rights in the subgrantee's or contractor's subject inventions.”

Section 23.0 ANTI-LOBBYING

The MPO agrees to comply with the provisions of Section 1352 of Title 31, U.S. Code (Public law 101.121) as codified in Title 48, Federal Acquisition Regulations Subpart 3.8 and Subpart 52.203-11, 23 CFR 630.112(c)(5) , and 49 CFR part 20 and 2 CFR 200.450. The legislation prohibits Federal appropriated funds from being expended by a recipient or any lower tier sub-recipients of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence a Federal agency or Congress in connection with the award of any Federal contract, the making of any Federal grant or loan, or entering into any cooperative agreement, including the extension, continuation, renewal, amendments or modification of any Federal contract, grant, loan or cooperative agreement. Certification is required to indicate compliance with 49 CFR 20.100(a). Disclosure must be made on Standard Form LLL, found at <https://www.gsa.gov/forms-library/disclosure-lobbying-activities> if any non-appropriated funds are used for such activities described herein. All disclosure statements are to be furnished to ADOT.

The MPO agrees to require all lower tier subcontractors who have agreements exceeding \$100,000.00 to complete Lobbying Certification (Exhibit B) and when appropriate, the Disclosure of Lobbying Activities (Exhibit C).

Section 24.0 ENERGY CONSERVATION

The MPO is required to comply with mandatory standards and policies, as applicable relating to energy efficiency which are contained in the State Energy Conservation Plan issued by the State of Arizona in compliance with the Energy Policy and Conservation Act (P.L. 94-165).

Section 25.0 ENVIRONMENTAL PROTECTION

The MPO is required to comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15) which prohibit the use under non-exempt Federal contracts, grant or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to FHWA, FTA, and to the U.S.E.P.A. Assistant Administrator Enforcement (EN-329).

Section 26.0 DRUG FREE WORKPLACE

The MPO agrees to comply with laws governing a drug and alcohol-free workplace in compliance with the Federal Drug-Free Workplace Act of 1988 and 23 CFR 630.112(c)(3).

Section 27.0 TRANSPARENCY ACT

As a sub-recipient of federal funds through ADOT, the MPO warrants compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the “Act”). Additionally, in a timely manner, and in the method specified by ADOT, the MPO will provide information that is requested by ADOT to enable ADOT to comply with the requirements of the Act, as may be applicable.

Section 28.0 FTA CERTIFICATIONS AND ASSURANCES

Pursuant to 49 U.S.C. 5323(n), the FTA consolidated the certifications and assurances required by Federal law or regulations for its programs.

On an annual basis, any agency with an active FTA capital or formula project must provide an affirmation by SUB-RECIPIENTS attorney pertaining to the SUB-RECIPIENTS legal capacity. The SUB-RECIPIENT must agree to comply with all categories applicable to ADOT, who is considered to be the APPLICANT and SUB-RECIPIENT of the funds by FTA, regardless of current applicability of the initial award under this Agreement. This is to ensure that should the category become applicable during the life of the Agreement, the SUB-RECIPIENT will comply. The FTA Certifications and Assurances will be provided to the SUB-RECIPIENT under separate packet as they are released by FTA and subsequent to ADOT electronic agreement. Continuation of this Agreement shall be contingent on completion and submission of that packet within the deadline expressed at time of distribution. The FTA Certifications and Assurances, as modified and accepted each year shall be considered incorporated into this Agreement by reference.

The Parties understand and agree that not every provision of the Certifications and Assurances will apply to every Applicant or every Project. The type of Project and SUB-RECIPIENT will determine which Certifications and Assurances apply.

SUBRECIPIENT also understands and agrees that these Certifications and Assurances are pre-award requirements, generally required by Federal law or regulation, and do not include all Federal requirements that may apply. SUB-RECIPIENT is ultimately responsible for compliance with the Certifications and Assurances that apply to itself or its Project, even if a Sub-recipient or other Third Party Participant may be involved in your Project, except as FTA determines otherwise in writing. For this reason, we strongly encourage SUB-RECIPIENT to take the appropriate measures, including, but not limited to, obtaining sufficient documentation from each Sub-recipient and other Third Party Participant to assure the validity of applicable Certifications and Assurances.

SUB-RECIPIENT understands and agrees that when applying for funding on behalf of a consortium, joint venture, partnership, or team, SUB-RECIPIENT must identify the activities each member will perform and the extent to which each member of that consortium, joint venture, partnership, or team will be responsible for compliance with the Certifications and Assurances, except as FTA determines otherwise in writing.

The FTA Certification and Assurances required of ADOT and its SUB-RECIPIENTS are issued annually subsequent to ADOT signing the same. They are available for viewing in the e-Grant system and on the FTA website and are incorporated herein by reference. Completion and Signing of this FTA Certification and Assurances document is a requirement and a condition to receive FTA funding through ADOT and does not relieve the SUB-RECIPIENT of any obligation of other certifications or assurances required in any application or contracting process, and should be treated as an addition to such certifications and assurances.

Section 29.0 RESPONSIBILITIES OF THE FISCAL AGENT

A Fiscal Agent for the MPO is the entity responsible for providing fiscal, human resource and staff support services, including but not limited to legal and IT, to the MPO. In the event that the MPO requires a Fiscal Agent, the MPO shall submit a copy of the agreement to the ADOT Contracts Program Manager for review and acceptance prior to execution. The agreement with a Fiscal Agent shall include:

1. Maintaining required accounting records for state and federal funds consistent with current state and federal requirements and the requirements of this Agreement.
2. Providing all appropriate funding, as identified by fiscal year in the WP, to allow the MPO staff to effectively and efficiently fulfill its responsibilities and obligations under the WP.
3. Establishing procedures and policies for procurement and purchasing in compliance with this Agreement.
4. Establishing which Party and/or Individual holds authority for Executing WP Agreements and/or Amendments to the Agreement with the consent of the MPO.

5. In the event the Fiscal Agent is providing human resource services to the MPO, the agreement must reflect the disposition of payroll and its designation as Fiscal Agent Overhead or MPO Program Direct Labor eligible for use as funding Match. Payroll may not be designated as both a direct cost and an overhead.

Section 30.0 INCORPORATION OF FEDERAL TERMS

All contractual provisions required by the U.S. Department of Transportation are hereby incorporated by reference. All applicable clauses shown in the FTA Master Agreement apply to each Project funded by FTA. Any requirements of the Stewardship Agreement with FHWA apply to each Project funded by FHWA. This provision shall be incorporated in any sub-recipient, sub-contractor, or lower-tier agreement for which funds from this Agreement shall be used for payment.

In addition to other clauses required throughout this Agreement or by State law, the SUBRECIPIENT will include applicable contract provisions in every third-party contract / purchase order using federal funding summarized (but not limited to) the following:

- a. The requirements in 2 CFR 200.326,
- b. The requirements in 2 CFR 200 Appendix II,
- c. The requirements in 2 CFR 1201,
- d. FTA funded procurements/contracts: Circular 4220.1F – Third Party Contracting Guidance or its Appendix D, as revised from time to time,
- e. Any requirements established by a particular funding stream, program, funding agency guideline, or established by ADOT.

Section 31.0 MISCELLANEOUS PROVISIONS

1. This Agreement is governed according to the laws of the State of Arizona. All cited statutes, public law, executive orders, and policies cited in this Agreement are incorporated by reference as a part of this Agreement. It is the SUBRECIPIENTs responsibility to ensure that any Agreement between SUBRECIPIENT and its CONTRACTORS for use of grant funds shall incorporate the provisions contained herein.
2. The MPO and ADOT shall comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, which may affect the performance of this Agreement. Any provision required by law, ordinances, rules, regulations, or executive orders to be inserted in the Agreement shall be deemed inserted, whether or not such provisions appear in this Agreement. ADOT shall endeavor to ensure the MPO is notified and made aware of such applicable laws and procedures.
3. This Agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards to conflicts of interest.
4. In accordance with Arizona Revised Statutes Section 11-952 (D), incorporated herein by reference, is the written determination of each Party’s legal counsel that the Parties are authorized under the laws of this state to enter into this Agreement and that the Agreement is in proper form.
5. Neither Party shall assign, transfer or delegate any rights, obligations or duties under this Agreement without the prior written consent of the other Party.
6. Each Party shall keep confidential all information, in whatever form, produced, prepared, observed, or received by the Party to the extent that such information is confidential by law.

- 7. To the extent applicable under Arizona Revised Statutes Section 41-4401, each Party and its subcontractors warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under Arizona Revised Statutes Section 23-214(A). A breach of the above-mentioned warranty by any Party or its subcontractors shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the non-breaching Parties. Each Party retains the legal right to randomly inspect the papers and records of the other Parties' or its subcontractors' employees who work on the Agreement to ensure that the Parties or its subcontractors are complying with the above-mentioned warranty.
- 8. The MPO assures that it will comply with applicable provisions of the Americans with Disabilities Act (ADA), (Public Law No. 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act including 28 CFR parts 35-36, and applicable provisions of 49 CFR Parts 27, 37 and 38: Transportation for Individuals with Disabilities; Final Rule. The parties to this Agreement shall comply with Executive Order Number 2009-09 issued by the Governor of the State of Arizona and incorporated herein by reference regarding "Non-Discrimination".
- 9. Israel Boycott Not Permitted: Legislation has been enacted to prohibit the State from contracting with companies currently engaged in a boycott of Israel. To ensure compliance with A.R.S. §35-393.01, the SUBRECIPIENT warrants that it is not engaged in a boycott of Israel as defined in A.R.S. 35-393 et seq.

Note: In *Jordahl v. Brnovich et al.*, Case No. 3:17-cv-08263 (D. Ariz.), the U.S. District Court entered a preliminary injunction that enjoins the State from enforcing A.R.S. § 35-393.01(A) (the "Anti-Israel Boycott Provision"). That statute states that: "[a] public entity may not enter into a contract with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company is not currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of Israel." Unless and until the District Court's injunction in *Jordahl* is stayed or lifted, the Anti-Israel Boycott Provision (A.R.S. § 35-393.01(A)) is unenforceable and the State will take no action to enforce it.

- 10. The **DEFINITIONS** page(s) and the **RESPONSIBILITY MATRIX FOR TIMED EVENTS** page(s) are herein incorporated as a part of this Agreement.
- 11. All notices or demands upon any party relating to this Agreement shall be in writing and delivered as instructed. If delivery method not instructed herein, acceptable methods shall be: delivered in person, sent by electronic mail (e-mail), or sent by U.S. Mail addressed to the applicable Liaison as follows:

To ADOT at:	To the MPO at:
Arizona Department of Transportation Multimodal Planning Division Mail Drop 310B 206 S. 17 th Avenue Phoenix, AZ 85007	Flagstaff Metropolitan Planning Organization 211 W. Aspen Avenue Flagstaff, 86001

Section 32.0 AGREEMENT PERIOD, MODIFICATIONS, EXTENSION, AND AUTHORITY

- 1) The Parties hereto represent and warrant that the person executing this Agreement on behalf of each Party has full power and authority to enter into this Agreement and the Parties are authorized by law to engage in the cooperative action set forth herein.

- 2) This Agreement shall become effective July 1, 2019 upon its execution by all Parties hereto and shall remain in force and effect through June 30, 2021 unless amended, terminated, cancelled or extended as otherwise provided herein. By mutual written amendment, this Agreement may be extended for supplemental periods of up to a maximum of four years. The Department reserves the right to unilaterally extend the period for thirty-one (31) days beyond the stated expiration date without obtaining acknowledgement or signature from the SUBRECIPIENT and the SUBRECIPIENT shall be bound by any such extensions.
- 3) This Agreement shall be modified or extended only through a written amendment within the scope of the Agreement. Additionally, the COG's authorized representative(s) are also required to sign such amendments as deemed necessary by both Parties.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION	STATE OF ARIZONA Department of Transportation
By _____ Coral Evans Mayor	By _____ Gregory Byres, Division Director Multimodal Planning Division
_____ Date	_____ Date

APPROVAL OF THE FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION

I have reviewed the above referenced Agreement, BETWEEN the ARIZONA DEPARTMENT OF TRANSPORTATION, MULTIMODAL PLANNING DIVISION and the FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION, and declare this agreement to be in proper form and within the powers and authority granted to the FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION under the laws of the State of Arizona. No opinion is expressed as to the authority of the State to enter into this agreement.

DATED _____

Attorney for the FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION

EXHIBIT A, continued Project Summary

Example of the Project Summary required to accompany the Narrative Progress Report. This report is designed to indicate each work element/project in the Work Program, and all of its funding sources for the entirety of the project. The column descriptions of "PL", "SPR", "STBG", "HSIP", "CMAQ" are descriptive only and should be replaced with the relevant funding sources for the projects. This report is intended to demonstrate the progress of a project across all funding sources, not only those administered by ADOT to ensure that funds distributed through ADOT result in completed projects. Each project must be reflected on this report for the duration of the Work Program.

Arizona Department of Transportation Multimodal Planning Division													
This report is for use by Vendors													
Subproject Name	F	Contract No.		Q		Funding/Completed By				Date Completed			
Budget													
You also include each funding source type and amount for each project (Federal, PL, LPR, SMO, Local, HSIP, etc.)													
Vendor	Fiscal Year	Month	Year	Contract No.	Q	Funding Source	Amount	Completed	By	Date	Completed	Project Status	Percent Done
	2020	01	2020			PL	100000					Completed	100%
	2020	02	2020			PL	100000					Completed	100%
	2020	03	2020			PL	100000					Completed	100%
	2020	04	2020			PL	100000					Completed	100%
	2020	05	2020			PL	100000					Completed	100%
	2020	06	2020			PL	100000					Completed	100%
	2020	07	2020			PL	100000					Completed	100%
	2020	08	2020			PL	100000					Completed	100%
	2020	09	2020			PL	100000					Completed	100%
	2020	10	2020			PL	100000					Completed	100%
	2020	11	2020			PL	100000					Completed	100%
	2020	12	2020			PL	100000					Completed	100%
	2021	01	2021			PL	100000					Completed	100%
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	2021	06	2021			PL	100000					Completed	100%
	2021	07	2021			PL	100000					Completed	100%
	2021	08	2021			PL	100000					Completed	100%
	2021	09	2021			PL	100000					Completed	100%
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	2025	11	2025			PL	100000					Completed	100%
	2025	12	2025			PL	100000					Completed	100%
	2026	01	2026			PL	100000					Completed	100%
	2026	02	2026			PL	100000					Completed	100%
	2026	03	2026			PL	100000					Completed	100%
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	2026	05	2026			PL	100000					Completed	100%
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	2026	07	2026			PL	100000					Completed	100%
	2026	08	2026			PL	100000					Completed	100%
	2026	09	2026			PL	100000					Completed	100%
	2026	10	2026			PL	100000					Completed	100%
	2026	11	2026			PL	100000					Completed	100%
	2026	12	2026			PL	100000					Completed	100%
	2027	01	2027			PL	100000					Completed	100%
	2027	02	2027			PL	100000					Completed	100%
	2027	03	2027			PL	100000					Completed	100%
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	2027	07	2027			PL	100000					Completed	100%
	2027	08	2027			PL	100000					Completed	100%
	2027	09	2027			PL	100000					Completed	100%
	2027	10	2027			PL	100000					Completed	100%
	2027	11	2027			PL	100000					Completed	100%
	2027	12	2027			PL	100000					Completed	100%
	2028	01	2028			PL	100000					Completed	100%
	2028	02	2028			PL	100000					Completed	100%
	2028	03	2028			PL	100000					Completed	100%
	2028	04	2028			PL	100000					Completed	100%
	2028	05	2028			PL	100000					Completed	100%
	2028	06	2028			PL	100000					Completed	100%
	2028	07	2028			PL	100000					Completed	100%
	2028	08	2028			PL	100000					Completed	100%
	2028	09	2028			PL	100000					Completed	100%
	2028	10	2028			PL	100000					Completed	100%
	2028	11	2028			PL	100000					Completed	100%
	2028	12	2028			PL	100000					Completed	100%
	2029	01	2029			PL	100000					Completed	100%
	2029	02	2029			PL	100000					Completed	100%
	2029	03	2029			PL	100000					Completed	100%
	2029	04	2029			PL	10000						

EXHIBIT B

Lobbying Certification for Contracts, Grants, Loans, and Cooperative Agreements
Pursuant to 49 CFR 20, Subpart F, Appendix A

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

SIGNATURE

DATE

TITLE

Please indicate here if you are required to submit Standard Form LLL as required in item (2) above: Yes No

Exhibit D
Standard Patent Rights

Required Pursuant to 37 CFR 401.14:

(a) Definitions

(1) Invention means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code, or any novel variety of plant which is or may be protected under the Plant Variety Protection Act (7 U.S.C. 2321 et seq.).

(2) Subject invention means any invention of the contractor conceived or first actually reduced to practice in the performance of work under this contract, provided that in the case of a variety of plant, the date of determination (as defined in section 41(d) of the Plant Variety Protection Act, 7 U.S.C. 2401(d)) must also occur during the period of contract performance.

(3) Practical Application means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or government regulations, available to the public on reasonable terms.

(4) Made when used in relation to any invention means the conception or first actual reduction to practice of such invention.

(5) Small Business Firm means a small business concern as defined at section 2 of Pub. L. 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in government procurement and subcontracting at 13 CFR 121.3-8 and 13 CFR 121.3-12, respectively, will be used.

(6) Nonprofit Organization means a university or other institution of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c) and exempt from taxation under section 501(a) of the Internal Revenue Code (25 U.S.C. 501(a)) or any nonprofit scientific or educational organization qualified under a state nonprofit organization statute.

(7) The term statutory period means the one-year period before the effective filing date of a claimed invention during which exceptions to prior art exist per 35 U.S.C. 102(b) as amended by the Leahy-Smith America Invents Act, Public Law 112-29.

(8) The term contractor means any person, small business firm or nonprofit organization, or, as set forth in section 1, paragraph (b)(4) of Executive Order 12591, as amended, any business firm regardless of size, which is a party to a funding agreement.

(b) Allocation of Principal Rights

The Contractor may retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the Contractor retains title, the Federal government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention throughout the world.

(c) Invention Disclosure, Election of Title and Filing of Patent Application by Contractor

(1) The contractor will disclose each subject invention to the Federal Agency within two months after the inventor discloses it in writing to contractor personnel responsible for patent matters. The disclosure to the agency shall be in the form of a written report and shall identify the contract under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding to the extent known at the time of the disclosure, of the nature, purpose, operation, and the physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to the agency, the Contractor will promptly notify the agency of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the contractor.

(2) The contractor will elect in writing whether or not to retain title to any such invention by notifying the Federal agency within two years of disclosure to the Federal agency. However, in any case where a patent, a printed publication, public use, sale, or other availability to the public has initiated the one year statutory period wherein valid patent protection can still be obtained in the United States, the period for election of title may be shortened by the agency to a date that is no more than 60 days prior to the end of the statutory period.

(3) The contractor will file its initial patent application on a subject invention to which it elects to retain title within one year after election of title or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. If the contractor files a provisional application as its initial patent application, it shall file a non-provisional application within 10 months of the filing of the provisional application. The contractor will file patent applications in additional countries or international patent offices within either ten months of the first filed patent application or six months from the date permission is granted by the Commissioner of Patents to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

(4) For any subject invention with Federal agency and contractor co-inventors, where the Federal agency employing such co-inventor determines that it would be in the interest of the government, pursuant to 35 U.S.C. 207(a)(3), to file an initial patent application on the subject invention, the Federal agency employing such co-inventor, at its discretion and in consultation with the contractor, may file such application at its own expense, provided that the contractor retains the ability to elect title pursuant to 35 U.S.C. 202(a).

(5) Requests for extension of the time for disclosure, election, and filing under paragraphs (1), (2), and (3) of this clause may, at the discretion of the Federal agency, be granted. When a contractor has requested an extension for filing a non-provisional application after filing a provisional application, a one-year extension will be granted unless the Federal agency notifies the contractor within 60 days of receiving the request.

(d) Conditions When the Government May Obtain Title

The contractor will convey to the Federal agency, upon written request, title to any subject invention—

(1) If the contractor fails to disclose or elect title to the subject invention within the times specified in paragraph (c) of this clause, or elects not to retain title.

(2) In those countries in which the contractor fails to file patent applications within the times specified in paragraph (c) of this clause; provided, however, that if the contractor has filed a patent application in a country after the times specified in paragraph (c) of this clause, but prior to its receipt of the written request of the Federal agency, the contractor shall continue to retain title in that country.

(3) In any country in which the contractor decides not to continue the prosecution of any non-provisional patent application for, to pay a maintenance, annuity or renewal fee on, or to defend in a reexamination or opposition proceeding on, a patent on a subject invention.

(e) Minimum Rights to Contractor and Protection of the Contractor Right to File

(1) The contractor will retain a nonexclusive royalty-free license throughout the world in each subject invention to which the Government obtains title, except if the contractor fails to disclose the invention within the times specified in (c), above. The contractor's license extends to its domestic subsidiary and affiliates, if any, within the corporate structure of which the contractor is a party and includes the right to grant sublicenses of the same scope to the extent the contractor was legally obligated to do so at the time the contract was awarded. The license is transferable only with the approval of the Federal agency except when transferred to the successor of that party of the contractor's business to which the invention pertains.

(2) The contractor's domestic license may be revoked or modified by the funding Federal agency to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions at 37 CFR part 404 and agency licensing regulations (if any). This license will not be revoked in that field of use or the geographical areas in which the contractor has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of the funding Federal agency to the extent the contractor, its licensees, or the domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.

(3) Before revocation or modification of the license, the funding Federal agency will furnish the contractor a written notice of its intention to revoke or modify the license, and the contractor will be allowed thirty days (or such other time as may be authorized by the funding Federal agency for good cause shown by the contractor) after the notice to show cause why the license should not be revoked or modified. The contractor has the right to appeal, in accordance with applicable regulations in 37 CFR part 404 and agency regulations (if any) concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of the license.

(f) Contractor Action to Protect the Government's Interest

(1) The contractor agrees to execute or to have executed and promptly deliver to the Federal agency all instruments necessary to (i) establish or confirm the rights the Government has throughout the world in those subject inventions to which the contractor elects to retain title, and (ii) convey title to the Federal agency when requested under paragraph (d) above and to enable the government to obtain patent protection throughout the world in that subject invention.

(2) The contractor agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the contractor each subject invention made under contract in order that the contractor can comply with the disclosure provisions of paragraph (c) of this clause, to assign to the contractor the entire right, title and interest in and to each subject invention made under contract, and to execute all papers necessary to file patent applications on subject inventions and to establish the government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by paragraph (c)(1) of this clause. The contractor shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) For each subject invention, the contractor will, no less than 60 days prior to the expiration of the statutory deadline, notify the Federal agency of any decision: Not to continue the prosecution of a non-provisional patent

application; not to pay a maintenance, annuity or renewal fee; not to defend in a reexamination or opposition proceeding on a patent, in any country; to request, be a party to, or take action in a trial proceeding before the Patent Trial and Appeals Board of the U.S. Patent and Trademark Office, including but not limited to post-grant review, review of a business method patent, inter partes review, and derivation proceeding; or to request, be a party to, or take action in a non-trial submission of art or information at the U.S. Patent and Trademark Office, including but not limited to a pre-issuance submission, a post-issuance submission, and supplemental examination.

(4) The contractor agrees to include, within the specification of any United States patent applications and any patent issuing thereon covering a subject invention, the following statement, "This invention was made with government support under (identify the contract) awarded by (identify the Federal agency). The government has certain rights in the invention."

(g) Subcontracts

(1) The contractor will include this clause, suitably modified to identify the parties, in all subcontracts, regardless of tier, for experimental, developmental or research work to be performed by a subcontractor.. The subcontractor will retain all rights provided for the contractor in this clause, and the contractor will not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions.

(2) The contractor will include in all other subcontracts, regardless of tier, for experimental developmental or research work the patent rights clause required by (cite section of agency implementing regulations or FAR).

(3) In the case of subcontracts, at any tier, when the prime award with the Federal agency was a contract (but not a grant or cooperative agreement), the agency, subcontractor, and the contractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subcontractor and the Federal agency with respect to the matters covered by the clause; provided, however, that nothing in this paragraph is intended to confer any jurisdiction under the Contract Disputes Act in connection with proceedings under paragraph (j) of this clause.

(h) Reporting on Utilization of Subject Inventions

The Contractor agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the contractor or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the contractor, and such other data and information as the agency may reasonably specify. The contractor also agrees to provide additional reports as may be requested by the agency in connection with any march-in proceeding undertaken by the agency in accordance with paragraph (j) of this clause. As required by 35 U.S.C. 202(c)(5), the agency agrees it will not disclose such information to persons outside the government without permission of the contractor.

(i) Preference for United States Industry

Notwithstanding any other provision of this clause, the contractor agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject inventions in the United States unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by the Federal agency upon a showing by the contractor or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

(j) March-in Rights

The contractor agrees that with respect to any subject invention in which it has acquired title, the Federal agency has the right in accordance with the procedures in 37 CFR 401.6 and any supplemental regulations of the agency to require the contractor, an assignee or exclusive licensee of a subject invention to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the contractor, assignee, or exclusive licensee refuses such a request the Federal agency has the right to grant such a license itself if the Federal agency determines that:

- (1) Such action is necessary because the contractor or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use.
- (2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the contractor, assignee or their licensees;
- (3) Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the contractor, assignee or licensees; or
- (4) Such action is necessary because the agreement required by paragraph (i) of this clause has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.

(k) Special Provisions for Contracts with Nonprofit Organizations

If the contractor is a nonprofit organization, it agrees that:

- (1) Rights to a subject invention in the United States may not be assigned without the approval of the Federal agency, except where such assignment is made to an organization which has as one of its primary functions the management of inventions, provided that such assignee will be subject to the same provisions as the contractor;
- (2) The contractor will share royalties collected on a subject invention with the inventor, including Federal employee co-inventors (when the agency deems it appropriate) when the subject invention is assigned in accordance with 35 U.S.C. 202(e) and 37 CFR 401.10;
- (3) The balance of any royalties or income earned by the contractor with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, will be utilized for the support of scientific research or education; and
- (4) It will make efforts that are reasonable under the circumstances to attract licensees of subject inventions that are small business firms and that it will give a preference to a small business firm when licensing a subject invention if the contractor determines that the small business firm has a plan or proposal for marketing the invention which, if executed, is equally as likely to bring the invention to practical application as any plans or proposals from applicants that are not small business firms; provided, that the contractor is also satisfied that the small business firm has the capability and resources to carry out its plan or proposal. The decision whether to give a preference in any specific case will be at the discretion of the contractor. However, the contractor agrees that the Federal agency may review the contractor's licensing program and decisions regarding small business applicants, and the contractor will negotiate changes to its licensing policies, procedures, or practices with the Federal agency when the Federal agency's review discloses that the contractor could take reasonable steps to implement more effectively the requirements of this paragraph (k)(4). In accordance with 37 CFR 401.7, the Federal agency or the contractor may request that the Secretary review the contractor's licensing program and decisions regarding small business applicants.

PAGE RESERVED FOR ATTORNEY GENERAL DETERMINATION

The Attorney General (AG) determination page will be inserted in this Agreement through the electronic DocuSign process as an attachment. When the full document is downloaded, the page will print as the final page of the document and shall be considered to replace this page.

Certificate Of Completion

Envelope Id: 67052CD3B00E490587A090C7F6D078FC	Status: Sent
Subject: Please DocuSign: GRT-19-0007314-T FMPO WP20_21 Agreement	
Source Envelope:	
Document Pages: 51	Signatures: 0
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Sally J. Palmer
Time Zone: (UTC-07:00) Arizona	206 S 17th Ave
	Phoenix, AZ 85007
	SPalmer@azdot.gov
	IP Address: 162.59.200.193

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Signer Events

	Signature	Timestamp
John Wennes, ADOT Regional Planner JWennes@azdot.gov Arizona Dept of Transportation Security Level: Email, Account Authentication (None)	Completed Using IP Address: 162.59.200.193	Sent: 4/17/2019 12:15:02 PM Viewed: 4/17/2019 12:16:38 PM Signed: 4/17/2019 12:16:43 PM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		

David Wessel, FMPO Manager dwessel@flagstaffaz.gov Security Level: Email, Account Authentication (None)		Sent: 4/17/2019 12:16:46 PM
Electronic Record and Signature Disclosure: Accepted: 10/30/2018 10:50:30 AM ID: 92c85a6e-6b70-4bbf-b5aa-8fb2769423cd		

Stacey Brechler-Knaggs, Grants and Contracts Manager sknaggs@flagstaffaz.gov Security Level: Email, Account Authentication (None)		Sent: 4/17/2019 12:16:46 PM Viewed: 4/18/2019 11:29:31 AM
Electronic Record and Signature Disclosure: Accepted: 4/18/2019 11:29:31 AM ID: 52f3517f-1956-45b7-929a-4d91a2c7050b		

Processor trncontracts@azag.gov Security Level: Email, Account Authentication (None)		
Electronic Record and Signature Disclosure: Accepted: 4/17/2019 12:50:44 PM ID: 67665ee7-dd53-43ad-9c0c-6ce7c701a77f		

Kevin Fincel KFincel@flagstaffaz.gov Security Level: Email, Account Authentication (None)		
Electronic Record and Signature Disclosure: Not Offered via DocuSign		

Signer Events	Signature	Timestamp
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Coral Evans, Mayor

CEvans@flagstaffaz.gov

Security Level: Email, Account Authentication
(None)

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Gregory Byres, Division Director

GByres@azdot.gov

Security Level: Email, Account Authentication
(None)

Electronic Record and Signature Disclosure:

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In Person Signer Events	Signature	Timestamp
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Editor Delivery Events	Status	Timestamp
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Agent Delivery Events	Status	Timestamp
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Intermediary Delivery Events	Status	Timestamp
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Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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MPD Finance Encumbrance Requested

MPDInvoice@azdot.gov

Security Level: Email, Account Authentication
(None)

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Beth Cross

BCross@flagstaffaz.gov

Security Level: Email, Account Authentication
(None)

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent

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4/17/2019 12:16:46 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Arizona Dept of Transportation (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

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If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Arizona Dept of Transportation:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To advise Arizona Dept of Transportation of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at DocuSignRequest@azdot.gov and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address.. In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from Arizona Dept of Transportation

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to DocuSignRequest@azdot.gov and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Arizona Dept of Transportation

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to DocuSignRequest@azdot.gov and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> •Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

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- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify Arizona Dept of Transportation as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Arizona Dept of Transportation during the course of my relationship with you.