

# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432



## Meeting Agenda - Final

**Tuesday, February 3, 2026  
5:30 PM**

**City Hall, Council Chambers**

## **Public Safety Committee**

### *Committee Members*

*Councilman Joseph Clement, Chairperson  
Councilwoman Suzanna Ibarra  
Councilwoman Jan Hallums Quillman*

**ROLL CALL****APPROVAL OF MINUTES**

Minutes 1/6/2026

[TMP-9433](#)**Attachments:** [Minutes 1-6-2026.pdf](#)**CITIZENS TO BE HEARD ON AGENDA ITEMS**

This section is for anyone wanting to speak regarding agenda items and are allowed a maximum of 4 minutes. It is not a question and answer period and staff, and the Committee members do not generally respond to public comments. The City Clerk has a copy of the public speaking procedures; please note, speakers who engage in conduct injurious to the harmony of the meeting shall be called to order by the Presiding Officer and may forfeit the opportunity to speak.

**AGENDA ITEMS**

Award of Professional Services Agreement for Ambulance Billing Services for the City of Joliet Fire Department 2026-2028 to EMS Management & Consultants (EMSMC) not to exceed \$1,000,000.00 for years 2026-2028

[TMP-9484](#)

Purchase of Four (4) Complete Horton Ambulances from Foster Coach in the amount of \$1,571,356.00 for Budget Years 2027 - 2028

[TMP-9472](#)**Attachments:** [Joliet Quote 4 units 1-22-26.pdf](#)

Purchase of Twelve (12) Bullard QXT Pro Thermal Imagers and Twelve (12) Basic Feature Packs for the Joliet Fire Department from Dinges Fire Company in the Amount of \$91,140.00

[TMP-9462](#)**Attachments:** [Joliet - Bullard QXT Pro SPQ.pdf](#)  
[Bullard Sole Source Letter.pdf](#)

Approval of Purchase and Upfit of One New Vehicle for the Investigations Division Asset Forfeiture Detective not to exceed \$65,000

[TMP-9453](#)

Award of Contract for Peregrine Technologies

[TMP-9485](#)**Attachments:** [Peregrine Contract 2026 Council.pdf](#)**ORDINANCES**

Ordinance Amending Chapter 12, Section 13(g) to Impose Lift Assist Fees in Accordance with House Bill 2336 [TMP-9483](#)

**Attachments:** [JFD Lift Assist Fees Ordinance 2026.docx](#)

## RESOLUTIONS

Resolution Authorizing the Execution of a Memorandum of Understanding Between the City of Joliet and the Will County Sheriff's Office (WSCO) [TMP-9437](#)

**Attachments:** [Resolution](#)  
[MOU Incinerator.docx](#)

Resolution to Accept and Implement a Grant from the Illinois Department of Commerce and Economic Opportunity under Public Act 103-0006 [TMP-9447](#)

**Attachments:** [Resolution](#)  
[Drone Grant.pdf](#)  
[Grant Drone Budget.xlsx](#)  
[Drone Conflict of Interest Disclosure.pdf](#)

## NEW OR OLD BUSINESS, NOT FOR FINAL ACTION OR RECOMMENDATION

## PUBLIC COMMENTS

This section is for anyone wanting to speak regarding non-agenda items and are allowed a maximum of 4 minutes. It is not a question and answer period and staff, and the Committee members do not generally respond to public comments. The City Clerk has a copy of the public speaking procedures; please note, speakers who engage in conduct injurious to the harmony of the meeting shall be called to order by the Presiding Officer and may forfeit the opportunity to speak.

## ADJOURNMENT

This meeting will be held in an accessible location. If you need a reasonable accommodation, please contact The City Clerk Office, 150 West Jefferson Street, Joliet, Illinois 60432 at (815) 724-3780.



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

Memo

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**File #:** TMP-9433

**Agenda Date:** 2/3/2026

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# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432



## Meeting Minutes - Pending Approval

Tuesday, January 6, 2026

5:30 PM

City Hall, Council Chambers

### Public Safety Committee

#### *Committee Members*

*Councilman Joseph Clement, Chairperson*

*Councilwoman Suzanna Ibarra*

*Councilwoman Jan Hallums Quillman*

**ROLL CALL**

**Present** Councilman Joe Clement, Councilwoman Jan Hallums Quillman and Councilwoman Suzanna Ibarra

ALSO PRESENT: Chief of Fire Jeff Carey

**APPROVAL OF MINUTES**

[TMP-9256](#)

Attachments: [Minutes 10-7-2025.pdf](#)

A motion was made by Councilwoman Jan Hallums Quillman, seconded by Councilwoman Suzanna Ibarra, to approve COUNCIL MEMO #TMP-9256: Minutes 10/7/2025.

The motion carried by the following vote:

**Aye:** Councilman Clement, Councilwoman Hallums Quillman and Councilwoman Ibarra

**CITIZENS TO BE HEARD ON AGENDA ITEMS**

None

**AGENDA ITEMS**

Approval of Purchase of 110 Additional Sets of Firefighter Turnout Gear from Air One Equipment, Inc. in the amount of \$398,310.00

[TMP-9331](#)

Chief Carey briefly explains.

Council asks questions, Chief Carey answers.

A motion was made by Councilwoman Jan Hallums Quillman, seconded by Councilwoman Suzanna Ibarra, to recommend for approval COUNCIL MEMO #TMP-9331: Approval of Purchase of 110 Additional Sets of Firefighter Turnout Gear from Air One Equipment, Inc. in the amount of \$398,310.00.

The motion carried by the following vote:

**Aye:** Councilman Clement, Councilwoman Hallums Quillman and Councilwoman Ibarra

Approve Purchase of One (1) LP35 (Cardiac Monitor) and three (3) LP1000 (AED) for the City of Joliet Fire Department from Stryker Medical in the Amount of \$59,847.12

[TMP-9340](#)

Attachments: [Stryker Medical Quote January 2026.pdf](#)

Chief Carey briefly explains.

A motion was made by Councilwoman Jan Hallums Quillman, seconded by

Councilwoman Suzanna Ibarra, to recommend for approval COUNCIL MEMO #TMP-9340: Approve Purchase of One (1) LP35 (Cardiac Monitor) and three (3) LP1000 (AED) for the City of Joliet Fire Department from Stryker Medical in the Amount of \$59,847.12.

The motion carried by the following vote:

**Aye:** Councilman Clement, Councilwoman Hallums Quillman and Councilwoman Ibarra

## ORDINANCES

None

## RESOLUTIONS

Resolution Authorizing the Execution of an Intergovernmental Agreement Between the City of Joliet and Will County

[TMP-9332](#)

Attachments: [Resolution.docx](#)  
[2025 Will County IGA.doc](#)

Chief Carey briefly explains.

Councilwoman Quillman asked a question, Chief Carey answered.

A motion was made by Councilwoman Jan Hallums Quillman, seconded by Councilwoman Suzanna Ibarra, to recommend for approval COUNCIL MEMO #TMP-9332: Resolution Authorizing the Execution of an Intergovernmental Agreement Between the City of Joliet and Will County.

The motion carried by the following vote:

**Aye:** Councilman Clement, Councilwoman Hallums Quillman and Councilwoman Ibarra

## NEW OR OLD BUSINESS, NOT FOR FINAL ACTION OR RECOMMENDATION

None

## PUBLIC COMMENTS

Jonathan Lepacek - boy scout - spoke about working on his badge.

## ADJOURNMENT

A motion was made by Councilwoman Ibarra, seconded by Councilwoman Hallums Quillman, that this was adjourn.

The motion carried by the following vote:

**Aye:** Councilman Clement, Councilwoman Hallums Quillman and Councilwoman Ibarra



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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File #: TMP-9484

Agenda Date: 2/3/2026

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**TO:** Public Safety Committee

**FROM:** Jeff Carey, Chief of Fire

**SUBJECT:**

Award of Professional Services Agreement for Ambulance Billing Services for the City of Joliet Fire Department 2026-2028 to EMS Management & Consultants (EMSMC) not to exceed \$1,000,000.00 for years 2026-2028

**BACKGROUND:**

The City of Joliet Fire Department utilizes an ambulance billing company. The billing services company oversees all ambulance billing for the Joliet Fire Department. The City of Joliet's policy regarding residents is to take what private insurance, Medicare, Medicaid, or Public Aid will pay, and write off the remaining balances. Since contracting with EMS Management & Consultants (EMSMC), the City has experienced increased ambulance revenues each year thanks to both increases in the amount of ambulance calls, and EMS Management & Consultant's (EMSMC) ability to properly position the city to collect the maximum amount allowable from private insurance payers. The ambulance billing is based on the amount of ambulance billing calls. During our time with EMSMC, customer complaints have been very few, and their staff have been a pleasure to work with. This is a three-year proposal with the option of three one-year extensions.

**CONCLUSION:**

On January 15<sup>th</sup>, 2026, at 10:00a.m., three sealed bids were opened and read out loud for the ambulance billing services contract. The bid summary is as follows:

<u>Vendor Name</u>	<u>Bid Percentage</u>
Digitech	2.95%
EMS Management & Consultants	3.15%
Paramedic Billing Services	3.75%

The low bid for this proposal is Digitech. The Fire Department is currently using EMS Management & Consultants (EMSMC) and is very satisfied with their services. Therefore, the Joliet Fire Department would like to award EMS Management and Consultants the contract.

This graph represents the current 2026 rates.

Charge Description	HCPSCS Code	Current Price
A2 Comprehensive Transport	A0433	\$2,942.00
ALS Emergency Transport	A0427	\$2,942.00
BLS Emerg Transport	A0429	\$2,942.00
Mileage - Ground	A0425	\$15.00

Sufficient funds exist utilizing the contractual services fund (Org 07001000, Object 524200).

**RECOMMENDATION:**

Based on the above, it is recommended the Mayor and City Council approve the award of the Professional Services Agreement to EMS Management & Consultants not to exceed \$1,000,000.00 per year for 2026 through 2028.



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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**File #:** TMP-9472

**Agenda Date:** 2/3/2026

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**TO:** Public Safety Committee

**FROM:** Jeff Carey, Chief of Fire

**SUBJECT:**

Purchase of Four (4) Complete Horton Ambulances from Foster Coach in the amount of \$1,571,356.00 for Budget Years 2027 - 2028

**BACKGROUND:**

The Joliet Fire Department and Fleet Services has developed a schedule for equipment replacement over the next 5 years. Currently, six (6) units on order expected for delivery in 2027 (CM #571-24 & 573-24). These six (6) units correspond to budget years 2024-2026. This request pertains to replacements scheduled for budget years 2027-2028. Currently, new ambulances require approximately 30-36 months for production. As result, a unit ordered today would not be delivered until late-2028 at the earliest. The future four (4) units will not be paid for until they are received. By placing an order now, the City of Joliet will remain on plan and avoid expected annual increases. Following discussions with the Finance Director, future five-year capital plans will indicate that these items have been already approved and ordered.

**CONCLUSION:**

The City of Joliet has standardized their Ambulance purchases to Horton Emergency Vehicles in prior years. Fleet Services and the Joliet Fire Department interviewed several other builders using exact specifications from previous Joliet Fire Department purchases. Most vendors were unable to meet required safety standards and testing. The one supplier that did submit a competing bid was 15% higher in cost. Foster Coach is the area distributor for Horton Ambulances and has a long-standing record of providing superior service to the City. In previous years they were the only bidder to meet equipment specifications, which led to this standardization. Additionally, Horton is a Sourcewell participating supplier and utilizes government standardized pricing.

Sufficient funding will exist in the Capital Improvements / Fire Department Fund (Org 30070020; Object: 557500) for this purchase in the 2027 - 2028 forecasted budgets, payable in 2028 and 2029 respectively upon completion on the units.

Section 2-438 of the City of Joliet Code of Ordinances states that purchases whose estimated cost is in excess of twenty-five thousand dollars (\$25,000.00) may be awarded without written specifications or bidding under certain circumstances. One of these circumstances applies:

(f) Purchases when authorized by a concurring vote of two-thirds (2/3) of the Mayor and City Council;

**RECOMMENDATION:**

Based upon the above, it is recommended that the Mayor and City Council approve the purchase of the four (4) Horton Ambulance bodies from Foster Coach utilizing the future available funds for \$1,157,356.00.

**FOSTER COACH SALES, INC.**

903 Prosperity Drive Street P.O. Box 700  
Sterling, Illinois 61081

Phone: (815) 625-3276  
(800) 369-4215  
Fax: (815) 625-7222  
Web site: www.fostercoach.com

**PF01298****QUOTATION**

TO: JOLIET FIRE DEPARTMENT  
101 EAST CLINTON STREET  
JOLIET, IL 60432

DATE: 01/22/26

ATTN: JEFF PRICE

REFERENCE: NEW AMBULANCE

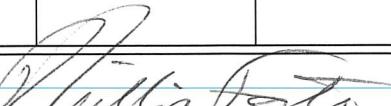
We are pleased to submit the following quotation in accordance with your request and subject to the Terms and Conditions listed below and on the reverse side hereof.

QTY.	DESCRIPTION	EACH	NET PRICE
4	2027+ FORD F550 CHASSIS ON A CUSTOM HORTON CONVERSION PER CUSTOMER SPECIFICATIONS	\$ 394,839.00	\$ 1,579,356.00
4	MULTI UNIT DISCOUNT	\$ -2,000.00	\$ -8,000.00
		\$ Total	\$ 1,571,356.00
ACCEPTED BY: _____			
TITLE: _____ Date: _____			

ESTIMATED DELIVERY:

2.5-3+ YEARS DEPENDING ON CHASSIS/BACKLOG

PROPOSED BY:

  
P.J. FOSTER, VICE PRESIDENT OF SALES



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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File #: TMP-9462

Agenda Date: 2/3/2026

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**TO:** Public Safety Committee

**FROM:** Jeff Carey, Chief of Fire

**SUBJECT:**

Purchase of Twelve (12) Bullard QXT Pro Thermal Imagers and Twelve (12) Basic Feature Packs for the Joliet Fire Department from Dinges Fire Company in the Amount of \$91,140.00

**BACKGROUND:**

The Joliet Fire Department requires Bullard QXT Pro Thermal Imagers and Basic Feature Packs, which allow the Fire Department to provide critical visibility in smoke-filled environments, assist in locating victims, and help identify hotspots during fire suppression. The existing QXT Pro Thermal Imagers and Basic Feature Packs have reached the end of their service life and can no longer be repaired. Therefore, the Joliet Fire Department will be purchasing twelve (12) Bullard QXT Pro Thermal Imagers and twelve (12) Basic Feature Packs.

**CONCLUSION:**

Dinges Fire Company has given a quote for twelve (12) Bullard QXT Pro Thermal Imagers and twelve (12) Basic Feature Packs in the amount of \$91,140.00. Dinges Fire Company is the sole authorized distributor for the State of Illinois and is the exclusive Bullard distributor for the City of Joliet.

Section 2-438 of the City of Joliet Code of Ordinances states that purchases over \$25,000.00 may be awarded without written specifications or bidding under certain circumstances. Two of these circumstances apply:

- (a) Purchased which may only be practicably made from a single source;
- (f) Purchases when authorized by a concurring vote of two-thirds (2/3) of the Mayor and City Council;

Sufficient funds exist for this purchase utilizing ESTB Grant Funds - ESTB Grant Fund (Org 22070020, Object 557500, \$91,140.00).

**RECOMMENDATION:**

Based on the above, it is recommended the Mayor and City Council authorize the purchase of twelve (12) Bullard QXT Pro Thermal Imagers and twelve (12) Basic Feature Packs in the amount of \$91,140.00 from Dinges Fire Company.



## Dinges Fire Company

243 E Main St.  
Amboy, IL 61310  
Phone: 815.857.2000  
www.DingesFire.com

### Bill To:

Joliet Fire Department (Joliet,IL)  
C\O: Operations Chief James Batusich  
101 East Clinton St  
Joliet, IL 60432

### Ship To:

Operations Chief James Bautisch  
101 East Clinton Street  
Joliet, IL 60432

Quantity	Item	Description	Price	Total
12	Bullard-QXTPROBUNDLE	Bullard QXT Pro Thermal Imager Includes: Truck Charger USB Cord Charger Internal Lithium-Ion Battery Retractable Lanyard Image Contrast Enhancement 2.0 Software 640 x 480 Resolution 60 Hertz Refresh Rate Super Red Hot Colorization Temperature Measurement 5 Year Warranty on Imager 5 Year Warranty on Battery	\$6,995.00	\$83,940.00
12	Bullard-XTFEATURESBASIC	Optional Feature Pack Basic Includes: Thermal Throttle (Blue Colorization, Investigative Tool) Hot Area Detection Cold Area Detection Zoom	\$600.00	\$7,200.00

\* Sales tax will be applied to customers who have not provided a tax exempt certificate.

**Sub Total** \$91,140.00

\* Quote Created on 01/08/2026. Pricing valid until 02/09/2026, unless noted otherwise.

**Shipping** FREE

\* Financing options may be available. Please contact your sales rep for more information and a payment estimate.

**Total** \$91,140.00

\*\*This is a quotation only. Please do not make payment based off this quotation. An invoice will be sent to you when product is ready for delivery. Contact your local sales representative with any questions or requests.\*\*

\*\*\*Some products may not be able to be cancelled after an order is approved if it is a built to spec or custom item. Restocking fees may apply if custom products are cancelled after order and before delivery.\*\*\*

1/7/2026



To Whom It May Concern,

According to the Distributor Agreement Contract between Bullard and Dinges Fire Company, Dinges Fire Company is the sole authorized Bullard distributor for the state of Illinois.

Therefore, Dinges Fire Company is the exclusive Bullard distributor for the City of Joliet.

Kind Regards,

Chris Fallon

**Chris Fallon**

Regional Sales Manager

Bullard | 1898 Safety Way | Cynthiana,  
KY 41031

Mobile: (312) 550-4823

Customer Service: 877 – BULLARD  
(285-5273)

[Chris\\_fallon@bullard.com](mailto:Chris_fallon@bullard.com)  
[www.bullard.com](http://www.bullard.com)



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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**File #:** TMP-9453

**Agenda Date:** 2/3/2026

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**TO:** Public Safety Committee

**FROM:** William Evans, Chief of Police

**SUBJECT:**

Approval of Purchase and Upfit of One New Vehicle for the Investigations Division Asset Forfeiture Detective not to exceed \$65,000

**BACKGROUND:**

The Investigations Division Asset Forfeiture Detective is currently utilizing a vehicle that is eligible to be cycled within the Investigations Division. Upon replacement, the existing vehicle would be repurposed into another appropriate role within the Division.

**CONCLUSION:**

The new vehicle would be purchased locally from dealer stock following normal purchasing procedures. A non-descript SUV can be obtained and upfitted internally through normal Fleet purchasing procedures. The price of the unit plus upfit is expected not to exceed \$65,000.00.

Section 2-438 of the City of Joliet Code of Ordinances states that purchases whose estimated cost is in excess of twenty-five thousand dollars (\$25,000.00) may be awarded without written specifications or bidding. One of these circumstances applies:

1. (f) Purchases when authorized by a concurring vote of two-thirds (2/3) of the mayor and city council

Sufficient funds are available in the 2024 Police Special Revenue Fund (Org Code 22160020; Object Code 557500; Project code ART36 - ARTICLE 36 Seizures).

**RECOMMENDATION:**

Based on the above, it is recommended that the Mayor and City Council approve the purchase and upfit of one new vehicle for the Investigations Division Asset Forfeiture Detective not to exceed \$65,000.00.



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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File #: TMP-9485

Agenda Date: 2/3/2026

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**TO:** Public Safety Committee  
**FROM:** Christopher Botzum, Deputy Chief of Police  
**SUBJECT:**  
Award of Contract for Peregrine Technologies

### **BACKGROUND:**

The Joliet Police Department is seeking to modernize its data infrastructure to better serve the community and optimize daily operations. Currently, the Department relies on several independent systems for critical functions, including records management (Axon and Motorola), 911 dispatch, video evidence, license plate readers, and administrative tools. While these platforms operate effectively on their own, they currently function independently. Integrating these distinct data sources represents a significant opportunity to streamline workflows; rather than navigating multiple separate logins and screens, staff could access comprehensive information through a single interface. This alignment would allow officers and investigators to more rapidly identify connections between suspects, vehicles, and locations, enhancing the thoroughness and speed of investigations.

Additionally, upgrading to an integrated system will advance the Department's analytical capabilities. Moving away from a reliance on periodic third-party reporting, a modern data solution would provide the Department with direct autonomy over its statistics. This shift ensures that leadership has immediate access to real-time or near-real-time data, facilitating more agile, data-driven decision-making and allowing for dynamic resource deployment in response to current trends.

### **CONCLUSION:**

To achieve these operational improvements, the Department recommends the implementation of Peregrine Technologies. Peregrine functions as a robust integration layer, consolidating our existing systems into a unified interface—often referred to as a "single pane of glass." This capability allows officers, detectives, and analysts to query all Department data simultaneously, significantly reducing research time. This tool will serve as a force multiplier for our Real-Time Crime Center and Investigations Unit, accelerating case development and supporting proactive policing efforts.

Crucially, this technology strengthens Officer Wellness by connecting dispatch data with administrative records. By cross-referencing exposure to critical incidents against sick time usage and disciplinary history, the Department can identify early warning signs of trauma or burnout. This data-driven insight allows leadership to proactively offer support and mental health resources before issues impact an officer's well-being or career.

Furthermore, Peregrine enhances the accessibility and security of our data. The platform provides authorized staff with instant access to up-to-date statistics via computer or smartphone, ensuring

leadership has the information needed for timely oversight. All data is managed in a secure cloud environment that meets FBI Criminal Justice Information Services (CJIS) standards. This modern architecture not only strengthens data protection but also provides a resilient off-site backup, ensuring business continuity and safeguarding Department records against local hardware issues.

For 2026, the payment to Peregrine Enterprise will be \$199,500 for these contracted services.

Year 2026 payment	\$199,500
Year 2027 payment	\$205,485
Year 2028 payment	\$211,650
Year 2029 payment	\$217,990
Year 2030 payment	\$224,530

Section 2-438 of the City of Joliet Code of Ordinances states that purchases whose estimated cost is in excess of twenty-five thousand dollars (\$25,000.00) may be awarded without written specifications or bidding. Two of these circumstances apply:

1. (a) Purchases when may be practicably made from a single source
2. (f) Purchases when authorized by a concurring vote of two-thirds (2/3) of the mayor and city council

Peregrine is a single-source provider of the above-described items.

Sufficient funds are currently allocated for this project in the 2026 budget utilizing the following budget code (Contract Services: Org 06001000, Object 524200).

**RECOMMENDATION:**

Based on the above, it is recommended that the Mayor and City Council authorize the award of contract to Peregrine Technologies in the total amount of \$1,059,155 over 5 years for the above-listed system.



## PEREGRINE CUSTOMER ORDER FORM & SCOPE OF SERVICES

Customer Information	
<b>Customer Name:</b> Joliet Police Department	<b>Contact:</b> Deputy Chief Christopher Botzum
<b>Address:</b> 150 W Washington St, Joliet, IL 60432	<b>Phone:</b> 815-724-3044
<b>Quote POC Email:</b> cbotzum@joliet.gov	<b>Customer Invoice Email:</b>
Peregrine Services	
<b>Effective Date:</b> February 20, 2026	
<b>Initial Term:</b> From the Effective Date through February 19, 2031 ("Initial Term").	
<b>Service Fee:</b> The following fee schedule is available to the Customer if Order Form is signed on or before February 19, 2026. Unless otherwise terminated as set forth in the Terms and Conditions, Customer shall pay Peregrine a service fee annually for the Term as follows: <ol style="list-style-type: none"><li>\$199,500 within 30 days of the Effective Date</li><li>\$205,485 within 30 days of February 20, 2027</li><li>\$211,650 within 30 days of February 20, 2028</li><li>\$217,990 within 30 days of February 20, 2029</li><li>\$224,530 within 30 days of February 20, 2030</li></ol>	
<b>Users:</b> Customer may allow an unlimited number of employees of the Joliet Police Department to access and use the Service.	
<b>Onboarding and Training Services:</b> Peregrine will provide Customer with an introductory training session that provides an overview of the Service, background on accessible data sources as of the Effective Date and an introduction to the analytic capabilities of the Service. Peregrine will provide additional training, including refresher sessions and advanced training modules, from time to time upon mutual agreement of the parties.	
<b>Professional Services:</b> The initial Customer Data sources and systems that Peregrine will integrate with the Service for Customer are: Motorola P1 RMS (current); Axon Records RMS (future); Motorola P1 CAD; Axon Evidence.com; Flock ALPR; Genetec VMS; Dacra E-ticketing and Citations; Avers Crash Reporting; IA Pro and Blue Team Use of Force; Axon Fleet LPR (in-car); Tyler Tech Payroll.	
The fee schedule above includes support for up to 100-million annual LPR reads and a 30-day retention of LPR detections.	
The Customer is responsible for any third-party API or data access fees.	

Any additional data integrations or new functionality shall be subject to mutual written agreement of the parties, including with respect to fees. All additional data integration services or new functionality and corresponding fees will be set forth in a statement of work.

For clarity, Peregrine will provide any other Professional Services and additional data integration services in accordance with Section 2.2 of the Terms and Conditions.

Peregrine services are provided subject to the terms set forth above on this Order Form together with the attached terms and conditions (the “**Terms and Conditions**,” and together with this Order Form, the “**Agreement**”). Any capitalized term used in this Order Form but not defined herein shall have the meaning ascribed to it in the Terms and Conditions. By signing this Order Form, Peregrine and Customer each agree to the terms and conditions set forth in this Agreement. In the event of any conflict between this Order Form and the Terms and Conditions, the terms of this Order Form shall govern to the extent of such conflict. This Order Form may be executed in counterparts (which may be delivered by electronic mail or .pdf files), each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

**Peregrine**

By: \_\_\_\_\_

Name: Robert WheelerTitle: Head of Commercial Operations

Date Signed: \_\_\_\_\_

**Customer**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Attest: \_\_\_\_\_

Name: \_\_\_\_\_

## Peregrine Customer Terms and Conditions

These Peregrine Customer Terms and Conditions govern the provision of the services described on the attached Order Form (“**Order Form**”) by Peregrine Technologies, Inc. (“**Peregrine**”) to the Joliet Police Department (“**Customer**”). By executing an Order Form with Peregrine, Customer agrees to be bound by these Terms and Conditions.

### **1. Definitions.**

“**Aggregated Data**” has the meaning specified in Section 6.1.

“**CJIS Security Policy**” means the FBI CJIS Security Policy document as published by the FBI CJIS Information Security Officer, currently located at <https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center>.

“**Client-Side Software**” means any software in source or object code form that Peregrine makes available for use in connection with the Service, including Peregrine’s mobile application(s).

“**Criminal Justice Information Services Division**” or “**CJIS**” means the FBI division responsible for the collection, warehousing, and timely dissemination of relevant criminal justice information to the FBI and to qualified law enforcement, criminal justice, civilian, academic, employment and licensing agencies.

“**Customer Data**” means any of Customer’s data, information, documents or electronic files that are provided to Peregrine via the Service or otherwise in connection with this Agreement, including any databases Customer procures from third party vendors for Peregrine’s integration with the Service; provided that, for purposes of clarity, Customer Data as defined herein does not include Aggregated Data.

“**Documentation**” means the materials supplied by Peregrine hereunder, in any media, including any and all installer’s, operator’s and user’s manuals, training materials, guides, functional or technical specifications or other materials for use in conjunction with the Service.

“**Personal Information**” means any information that, individually or in combination, does or can identify a specific individual or by or from which a specific individual may be identified, contacted, or located, including without limitation all data considered “personal data”, “personally identifiable information”, or something similar under applicable laws, rules, or regulations relating to data privacy.

“**Professional Services**” has the meaning specified in Section 2.2.

“**Service**” means Peregrine’s proprietary platform that assists Users with criminal investigations and police leadership decision making, consisting of a hosted web-based interface and the Client-Side Software. For purposes of this Agreement, the Service is exclusive of Professional Services that may be rendered upon mutual agreement of the parties in accordance with Section 2.2.

“**SOW**” has the meaning specified in Section 2.2.

“**Third Party Data**” means any third party databases that Peregrine licenses from third party vendors and makes accessible via the Service. For clarity, Third Party Data does not include any Customer Data.

“**Third Party Products**” means any third-party products provided with, integrated with, or incorporated into the Service, including Third Party Data.

“**Users**” means the individuals authorized by Customer to use the Service in accordance with the terms in the Order Form (including number and type of individuals who may access the Service) and that have been supplied user identifications and passwords by Peregrine.

### **2. Provision of the Service and Additional Services.**

**2.1. Service.** During the Term and subject to the terms and conditions of this Agreement, including payment of the fees set forth on the Order Form, Customer may: (a) access and use the Service for up to the number of Users set forth in the Order Form, (b) download and reproduce the applicable Documentation solely for internal use in association with the Service, and (c) download, install, and use any Client-Side Software in support of Customer’s

use of the Service, in each case on a nonexclusive, non-transferable, and non-sublicensable basis and solely for Customer's internal business purposes. Peregrine shall provide Customer with authentication credentials for individual Users upon written request from authorized personnel of Customer, (ii) onboarding and training services as set forth in the Order Form ("Onboarding and Training Services"), and (iii) telephone and standard technical support to Customer during normal business hours ("Technical Support"). Except as set forth herein, Peregrine shall, at its sole cost and expense, provide all facilities and equipment that may be necessary for Peregrine to perform the Services.

**2.2. Professional Services.** Except as set forth in the Order Form, in the event that Customer requests that Peregrine perform data integration, configuration or implementation services regarding the Service, including integration of Customer Data or Third Party Data and creation of specific modifications to the Service (but excluding any Onboarding and Training Services), Peregrine will discuss the scope and fees for such services and, if agreed, such work will be performed pursuant to a statement of work executed by the parties and referencing this Agreement that describe such scope and fees (an "SOW," and such services, the "Professional Services"). Any fees associated with the Professional Services shall be set forth in the applicable SOW and Customer shall pay such fees in accordance with Section 4.2 below. To the extent the Professional Services result in any software code or other tangible work product ("Work Product"), all such Work Product will remain owned solely and exclusively by Peregrine and may be used by Customer solely in connection with Customer's authorized use of the Service under this Agreement. Customer shall permit Peregrine access to Customer's offices and any other facilities necessary for Peregrine to provide the Professional Services.

**2.3. Access and Policies.** Customer will permit Peregrine access to Customer's offices and any other facilities necessary for Peregrine to provide the Service, Onboarding and Training Services, Technical Support, and any Professional Services. Peregrine agrees to, and cause its personnel to, abide by Customer's facilities access and use policies as provided by Customer to Peregrine in writing in advance of any on-site visits. Customer will also permit and enable Peregrine to have offsite access to Customer Data and the Customer's production platform for the Service in order to provide the Service, Technical Support and Professional Services. Peregrine agrees to comply with the CJIS Security Policy in connection with its access to Customer Data, including CJIS-defined policies for remote access.

**2.4. Compliance with Applicable Laws.** Each party and its agents shall comply with all laws applicable to the performance or receipt, as applicable, of the Service hereunder.

**2.5. Licenses and Permits.** Peregrine and its employees, agents, and any subcontractors have, and will maintain at their sole cost and expense, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. In addition to the foregoing, Peregrine and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from Customer as required by law.

**2.6. Nondiscrimination and Equal Opportunity.** Peregrine shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, genetic information, marital status, sex, sexual orientation, gender or gender identity, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Peregrine under this Agreement. Peregrine shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Peregrine thereby.

**2.7. Suspension.** Notwithstanding anything to the contrary in this Agreement, Peregrine may temporarily suspend Customer's and any User's access to any portion or all of the Service if: (a) Peregrine reasonably determines that (i) there is a threat or attack on the Service; (ii) Customer's or any User's use of the Service disrupts or poses a security risk to the Service or to any other customer or vendor of Peregrine; (iii) Customer, or any User, is using the Service for fraudulent or illegal activities; (iv) subject to applicable law, Customer has ceased to continue its business in the ordinary course, made an assignment for the benefit of creditors or similar disposition of its assets, or become the subject of any bankruptcy, reorganization, liquidation, dissolution, or similar proceeding; (v) Peregrine's

provision of the Service to Customer or any User is prohibited by applicable law; or (vi) any Customer Data submitted, posted, or otherwise transmitted by or on behalf of Customer or an User through the Service may infringe or otherwise violate any third party's intellectual property or other rights; (b) any vendor of Peregrine has suspended or terminated Peregrine's access to or use of any Third Party Products required to enable Customer to access the Service; or (c) if Customer fails to pay any undisputed fees when due (any such suspension described in subclauses (a), (b), or (c), a "**Service Suspension**"). Peregrine shall use commercially reasonable efforts to provide written notice of any Service Suspension to Customer and to provide updates regarding resumption of access to the Service following any Service Suspension. Peregrine shall use commercially reasonable efforts to resume providing access to the Service as soon as reasonably possible after the event giving rise to the Service Suspension is cured. Peregrine will have no liability for any damage, liabilities, losses (including any loss of data or profits), or any other consequences that Customer or any User may incur as a result of a Service Suspension.

**2.8. Third Party Products.** Peregrine may from time to time make Third Party Products available to Customer or Peregrine may allow for certain Third Party Products to be integrated with the Service. For purposes of this Agreement, such Third Party Products are subject to their own terms and conditions. Peregrine is not responsible for the operation of any Third Party Products and makes no representations or warranties of any kind with respect to Third Party Products or their respective providers. If Customer does not agree to abide by the applicable terms for any such Third Party Products, then Customer should not install or use such Third Party Products. By authorizing Peregrine to transmit Customer Data from Third Party Products into the Service, Customer represents and warrants to Peregrine that it has all right, power, and authority to provide such authorization.

**2.9. Open Source Components.** Certain aspects of the Service, such as the Client-Side Software, may contain or be distributed with open source software code or libraries ("**Open Source Components**"). Peregrine will provide a list of Open Source Components for a particular version of any distributed portion of the Service, such as the Client-Side Software, on Customer's request. To the extent required by the license applicable to such Open Source Components: (a) Peregrine will use reasonable efforts to deliver to Customer any notices or other materials (such as source code); and (b) the terms of such licenses will apply to such Open Source Components in lieu of the terms of this Agreement. To the extent the terms of such licenses prohibit any of the restrictions in this Agreement with respect to any particular Open Source Component, such restrictions will not apply to such Open Source Component. To the extent the terms of such licenses require Peregrine to make an offer to provide source code or related information in connection with the Open Source Component, such offer is hereby made. For purposes of clarity, Open Source Components are Third Party Products.

### **3. Customer Responsibilities.**

**3.1. Generally.** Customer is responsible for all activities that occur under User accounts. Customer also shall: (a) ensure it has all rights necessary for Peregrine to integrate the Customer Data with the Service; (b) have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Customer Data; (c) prevent unauthorized access to, or use of, the Service, and notify Peregrine immediately of any unauthorized access or use; (d) ensure each User has its own unique account on the Service and that Users do not share their account credentials with one another or any third party; and (e) comply with all applicable laws in using the Service. Customer agrees to provide its Users with the applications necessary to run the Service as set forth in the Documentation.

**3.2. Use Restrictions.** Customer shall not use the Service for any purposes beyond the scope of access granted under this Agreement. Without limiting the generality of the foregoing, Customer shall not, and shall ensure Users do not: (a) license, sublicense, sell, resell, rent, lease, transfer, assign, distribute, time share or otherwise commercially exploit or make the Service available to any third party; (b) send spam or otherwise duplicative or unsolicited messages via the Service; (c) send or store infringing or unlawful material; (d) send or store material containing software viruses, worms, Trojan horses or other harmful computer code, files, scripts, agents or programs; (e) interfere with or disrupt the integrity or performance of the Service or the data contained therein; (f) attempt to gain unauthorized access to the Service or its related systems or networks; (g) copy, modify, or create derivative works based upon the Service or any component thereof; (h) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to any software component of the Service or any component thereof; (i) use the Service in any manner or for any purpose that infringes, misappropriates, or otherwise violates any intellectual property or other right of any third party or that violates any applicable law; (j)

access or use the Service for purposes of competitive analysis of Peregrine or the Service, the development, provision, or use of a competing service or product, or any other purpose that is to Peregrine's detriment or commercial disadvantage; or (k) input, upload, transmit, or otherwise provide to or through the Service any information or materials, including Customer Data, that are unlawful or injurious in any way

**3.3. CJIS Requirements.** Customer certifies that it and its Users will comply with the following CJIS requirements: (a) Customer agrees to use training, policy and procedures to ensure Users use proper handling, processing, storing and communication protocols for Customer Data and any Third Party Data; (b) Customer agrees to protect the Service and any Third Party Data by monitoring and auditing staff user activity to ensure that it is only within the purview of system application development, system maintenance and the support roles assigned; (c) Customer will only provide access to the Service and any Third Party Data through Customer-managed role-based access and applied sharing rules configured by Customer; (d) Customer agrees to create and retain activity transaction logs to enable auditing by Peregrine staff, CJIS and any Third Party Data owners; (e) Customer agrees to perform independent employment background screening for its staff at Customer's own expense; and (f) Customer agrees to reinforce staff policies for creating User accounts with only one Customer domain email address for each User, with exceptions only as granted in writing by Peregrine.

**3.4. Operation Restrictions.** Under certain circumstances, it may be dangerous to operate a moving vehicle while attempting to operate a laptop, mobile device or other touch screen and any of their applications. Customer agrees that the Users will be instructed to only utilize the interface for the Service at times when it is safe to do so. Peregrine is not liable for any accident caused by a result of distraction such as from viewing the screen while operating a moving vehicle.

**3.5. Customer Logo.** Peregrine may use Customer's name and logo in Peregrine's lists of customers provided that such use will comply with any standard trademark guidelines provided by Customer to Peregrine.

**3.6. Feedback.** If Customer or any of its employees or contractors sends or transmits any communications or materials to Peregrine by mail, email, telephone, or otherwise, suggesting or recommending changes to the Service, including without limitation, new features or functionality relating thereto, or any comments, questions, suggestions, or the like ("Feedback"), Peregrine is free to use such Feedback irrespective of any other obligation or limitation between the parties governing such Feedback.

#### **4. Fees & Payment.**

**4.1. Fees.** Customer shall pay the fees for the Service as specified in the Order Form and in any SOWs. All fees are non-refundable except to the extent otherwise expressly set forth in this Agreement.

**4.2. Payment Terms.** Except as set forth on the Order Form, Customer shall pay all fees within thirty (30) days of Peregrine issuing an invoice.

**4.3. Taxes.** Peregrine's fees do not include any local, state, federal or foreign taxes, levies or duties of any nature ("Taxes"). Customer is responsible for paying all Taxes, excluding only taxes based on Peregrine's income. If Peregrine has the legal obligation to pay or collect Taxes for which Customer is responsible under this section, the appropriate amount shall be invoiced to and paid by Customer unless Customer provides Peregrine with a valid tax exemption certificate authorized by the appropriate taxing authority.

**5. Proprietary Rights.** The "Peregrine Technology" means (a) the Peregrine name, the Peregrine logo, and other trademarks and service marks; (b) audio and visual information, documents, software and other works of authorship, including training materials; (c) other technology included in the Service, including Client-Side Software, graphical user interfaces, workflows, products, processes, algorithms, know-how and other trade secrets, techniques, designs, inventions and other tangible or intangible technical material or information provided by Peregrine under this Agreement; and (d) the work product or other results of Professional Services. Peregrine owns and shall retain all rights in the Peregrine Technology. Other than as expressly set forth in Section 2.1 above, no license or other rights in or to the Peregrine Technology or related intellectual property rights are granted to Customer or Users, and all such licenses and rights are hereby expressly reserved to Peregrine. For clarity, "Peregrine Technology" does not include Customer Data.

## 6. Data Access, Sharing and Security.

**6.1. Customer Data.** Peregrine may access, reproduce, and use Customer Data to provide the Service, including to provide Technical Support, Onboarding and Training Services and any Professional Services. Customer agrees that Peregrine may generate technical logs, data and insights about Customer's usage of the Service (e.g., frequency of logins) ("Peregrine Insights") and may use the Customer Data in aggregated and anonymized form that does not individually identify any person or entity, including Customer or its Users ("Aggregated Data") for Peregrine's internal business purposes and to operate and improve Peregrine's proprietary software and services, and that Peregrine shall own the Peregrine Insights and the Aggregated Data. Peregrine shall destroy Peregrine Insights and Aggregated Data on termination of this Agreement. Peregrine may choose to terminate the provision of any Customer Data via the Service if the provision of such data may be harmful to the Service, as determined by Peregrine in its reasonable discretion. Customer Data will remain continuously available to Customer during the term of the Agreement through Peregrine's open APIs or the export UI. Exports are available in JSON (via REST), XLSX, CSV, PDF, GeoPDF, GeoJSON, GeoTIFF, KML, and ArcGIS feature or map layers, and visualizations or reports can be scheduled and delivered in PDF, Excel, or PowerPoint. Peregrine may use Customer Data in an aggregated form ('Aggregated Data') only if such data: (i) does not include identifiable investigative content, case details, or CJIS-restricted information; (ii) cannot be reverse engineered to identify the Department, its personnel, or specific incidents; and (iii) is used solely for internal analytics, system performance monitoring, and product improvement purposes.

**6.2. CJIS Security Policy.** Peregrine has implemented procedures to allow for adherence to the CJIS Security Policy. The hosting facility for the Service uses access control technologies that meet or exceed CJIS requirements. In addition, Peregrine has installed and configured solid network intrusion prevention appliances for adherence to the CJIS Security Policy.

**6.3. Third Party Data.** Any Third Party Data that Peregrine may provide via the Service is governed by the third party owner's retention policy. Peregrine does not provide any warranties with respect to any Third Party Data and Peregrine may choose to terminate the provision of any Third Party Data via the Service if Peregrine's applicable rights to such Third Party Data terminate or the provision of such data may be harmful to the Service, as determined by Peregrine in its reasonable discretion.

**6.4. Processing of Personal Information.** Peregrine's rights and obligations with respect to Personal information it collects directly from individuals are set forth in Peregrine's Privacy Policy <<https://peregrine.io/privacy-policy/>>. Personal Information included within Customer Data and processed by Peregrine on behalf of Customer is governed by this Agreement.

**6.5. Sensitive Information; Marking Requirements.** To the extent Customer provides Customer Data that Customer considers to be sensitive, proprietary, restricted, or otherwise requiring sensitive treatment ("Sensitive Information"), Customer is solely responsible for providing appropriate markings to designate the applicable Customer Data as Sensitive Information. Customer shall provide Peregrine with documentation and/or instructions in writing with sufficient detail for Peregrine to identify and distinguish content that is Sensitive Information within other provided Customer Data. Customer shall (a) mark Sensitive Information on its face, (b) make the appropriate designations for Sensitive Information in document metadata, (c) provide Peregrine with a table or other list of Sensitive Information that contains sufficient detail to identify the Sensitive Information; or (d) identify Sensitive Information to Peregrine in some other mutually agreed upon method. Peregrine shall not be responsible for failure to designate Sensitive Information with specific access control status based on Customer failure to provide sufficient information to identify Sensitive Information.

## 7. Confidentiality.

**7.1. Definition of Confidential Information.** The term "Confidential Information" means all confidential and proprietary information of a party ("Disclosing Party") disclosed to the other party ("Receiving Party"), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure, including Customer Data, any Third Party Data, the Service, the Documentation, the Peregrine Technology, business and marketing plans, technology and technical information, product designs, and business processes.

**7.2. Confidentiality.** The Receiving Party shall not disclose or use any Confidential Information of the Disclosing Party except to perform its obligations or exercise its rights under this Agreement, except with the Disclosing Party's prior written permission on a case-by-case basis. Each party agrees to protect the confidentiality of the Confidential Information of the other party in the same manner that it protects the confidentiality of its own proprietary and confidential information of like kind, but in no event with less than reasonable care. If the Receiving Party is compelled by law or a government authority to disclose Confidential Information of the Disclosing Party, it shall provide the Disclosing Party with prior notice of such compelled disclosure (to the extent practicable and legally permitted) and reasonable assistance, at Disclosing Party's cost, if the Disclosing Party wishes to contest the disclosure.

**7.3. Exceptions.** The parties' obligations in Section 7.2 shall not apply to any information that: (a) is or becomes publicly available without breach of any obligation owed to the Disclosing Party; (b) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party; (c) was independently developed by the Receiving Party without breach of any obligation owed to the Disclosing Party; or (d) is received from a third party without breach of any obligation owed to the Disclosing Party.

**7.4. Public Records Acts.** Peregrine acknowledges that Customer is a public entity and may be governed by applicable laws, rules, or regulations relating to public records (each a "**Public Records Act**"). Nothing in this Section 7 shall prevent Customer from disclosing Confidential Information for purposes of complying with an applicable Public Records Act to the extent legally required.

**7.5. Remedies.** If the Receiving Party discloses or uses (or threatens to disclose or use) any Confidential Information of the Disclosing Party in breach of this Section 7, the Disclosing Party shall have the right, in addition to any other remedies available to it, to seek injunctive relief to enjoin such acts, it being specifically acknowledged by the parties that such unauthorized disclosure or use may cause irreparable harm to the Disclosing Party for which any other available remedies are inadequate.

## 8. Warranties & Disclaimers.

**8.1. Warranties.** Each party represents and warrants that it has the legal power and authority to enter into this Agreement. Peregrine represents and warrants that (i) it will provide the Service in a professional manner consistent with the standards observed by a competent practitioner of the profession in which Peregrine is engaged, and (ii) the Service will perform in accordance with and otherwise substantially conform to its associated documentation.

**8.2. Disclaimer.** EXCEPT AS EXPRESSLY PROVIDED IN SECTION 8.1, PEREGRINE MAKES NO WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE WITH RESPECT TO THE SERVICE, THE PEREGRINE TECHNOLOGY, ANY THIRD PARTY DATA AND ANY OTHER PRODUCTS OR SERVICES PROVIDED UNDER THIS AGREEMENT. PEREGRINE HEREBY SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

## 9. Indemnification.

**9.1. Indemnification by Peregrine.** Peregrine shall at its expense defend Customer and its officers, directors, officials, agents, volunteers and employees ("**Customer Indemnified Parties**") against any claim made or brought against any Customer Indemnified Party by a third party alleging that the Service as provided to Customer and when used in accordance with this Agreement infringes any intellectual property rights of a third party (each, a "**Customer Claim**"), and shall indemnify and hold Customer Indemnified Parties harmless from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, awarded by a court or agreed to by Peregrine in a settlement with respect to such Customer Claim; provided, that Customer (a) promptly gives written notice of the Customer Claim to Peregrine; (b) gives Peregrine sole control of the defense and settlement of the Customer Claim (provided that Peregrine may not agree to any settlement that imposes any liability or obligation on Customer without Customer's prior written consent, such consent not to be unreasonably withheld, conditioned, or delayed); and (c) provides to Peregrine, at Peregrine's cost, all reasonable assistance in the defense and settlement of the Customer Claim. Peregrine shall have no obligation under this Section 9.1 or otherwise regarding claims that arise from or relate to (i) Customer's use of the Service other than as contemplated by this Agreement,

(ii) any modifications to the Service made by any entity other than Peregrine (where the liability would not have arisen but for such modification), (iii) any combination of the Service with services or technologies not provided by Peregrine (where the liability would not have arisen but for such combination), (iv) Customer's use of the Service or portion thereof after Peregrine has terminated this Agreement or such portion of the Service in accordance with this Section 9.1, or (v) Third Party Products. If in Peregrine's opinion a Customer Claim is likely to be made, or if an existing Customer Claim may cause Peregrine liability, Peregrine may in its discretion (x) obtain a license to enable Customer to continue to use the potentially infringing portion of the Service, (y) modify the Service to avoid the potential infringement, or (z) if the foregoing cannot be achieved after using reasonable commercial efforts, terminate the Agreement or the license to the infringing portion of the Service and refund the amount of any pre-paid fees applicable to the portion of the terminated Services to be provided after the termination date.

**9.2. Indemnification by Customer.** To the extent permitted by applicable law, Customer shall at its expense defend Peregrine and its officers, directors, officials, agents, volunteers and employees ("Peregrine Indemnified Parties") against any claim made or brought against any Peregrine Indemnified Party by a third party based on: (a) Customer's or any User's negligence, gross negligence, fraud, or willful misconduct; (b) Customer's or any User's use of the Service in a manner not authorized by this Agreement; or (c) Customer Data or Peregrine's authorized use of such Customer Data (each, a "Peregrine Claim"), and shall indemnify and hold Peregrine Indemnified Parties harmless from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, awarded by a court or agreed to by Customer in a settlement with respect to such Peregrine Claim; provided, that Peregrine (i) promptly gives written notice of the Peregrine Claim to Customer; (ii) gives Customer sole control of the defense and settlement of the Peregrine Claim (provided that Customer may not agree to any settlement that imposes any liability or obligation on Peregrine without Peregrine's prior written consent, such consent not to be unreasonably withheld, conditioned, or delayed); and (iii) provides to Customer, at Customer's cost, all reasonable assistance in the defense and settlement of the Peregrine Claim.

**9.3. Sole Remedy. THIS SECTION 9 SETS FORTH CUSTOMER'S SOLE REMEDIES AND PEREGRINE'S SOLE LIABILITY AND OBLIGATION FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS BY THIRD PARTIES RELATING TO THE SERVICE OR ITS USE.**

#### **10. Limitation of Liability.**

**10.1. Exclusion of Consequential and Related Damages.** EXCEPT FOR A PARTY'S BREACH OF SECTION 7, A PARTY'S INDEMNIFICATION AND DEFENSE OBLIGATIONS, OR A PARTY'S GROSS NEGLIGENCE, FRAUD, OR WILLFUL MISCONDUCT, IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY LOST PROFITS, LOSS OF USE, COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, OR FOR ANY INDIRECT, SPECIAL, INCIDENTAL, MULTIPLE, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES HOWEVER CAUSED AND, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY, WHETHER OR NOT THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

**10.2. Liability Cap.** IN NO EVENT SHALL PEREGRINE'S AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE, EXCEED THE TOTAL AMOUNTS PAID TO PEREGRINE UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE CLAIM.

#### **11. Term & Termination.**

**11.1. Term of Agreement.** This Agreement commences on the Effective Date and continues for the duration of the term set forth on the Order Form ("Term"), unless earlier terminated in accordance with the Order Form or Section 11.2

**11.2. Termination for Cause.** A party may terminate this Agreement for cause upon thirty (30) days written notice of a material breach to the other party if such breach remains uncured at the expiration of such period. Upon such termination, Peregrine shall refund to Customer a pro-rated amount of any pre-paid fees covering the remainder of the Term after the effective date of termination.

**11.3. Termination for Convenience.** Customer may terminate this Agreement for convenience, without cause and without penalty or liability at any time upon the issuance of thirty (30) days written notice to Peregrine,

specifying the effective date of such termination. Such termination for convenience shall be made in writing by Customer. Termination shall not relieve Customer of the obligation to pay any fees accrued or payable to Peregrine prior to the effective date of termination.

**11.4. Data.** Upon Customer's written request made prior to the expiration or termination of this Agreement, Peregrine shall provide Customer with a commercially reasonable opportunity, at no additional charge, to export its Customer Data in a reasonable, industry-standard, non-proprietary format, for up to thirty (30) calendar days after expiration or termination. Upon Customer's written request made prior to expiration or termination, Peregrine shall extend this period once for up to an additional thirty (30) days, for a total of sixty (60) calendar days after expiration or termination. If no written request is made prior to the expiration or termination of this Agreement, Peregrine shall have no obligation to maintain or provide any Customer Data or Third Party Data. Unless legally prohibited, Peregrine shall delete all Customer Data in its systems or otherwise in its possession or under its control. Notwithstanding the foregoing or any other provision of this Agreement, Peregrine may use in perpetuity any Aggregated Data.

**11.5. Survival.** The following provisions shall survive termination or expiration of this Agreement: Sections 4, 5, 6.1, 6.3, 7, 8, 9, 10, 11.4, 11.5, and 12.

## **12. General Provisions.**

**12.1. Insurance.** Peregrine shall maintain the insurance coverages described on **Appendix A: Insurance**.

**12.2. Relationship of the Parties.** This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties. There are no third-party beneficiaries to this Agreement. At all times during the term of this Agreement, Peregrine shall be an independent contractor and shall not be an employee of Customer. Except as Customer may specify in writing, Peregrine shall have no authority, express or implied, to act on behalf of Customer in any capacity whatsoever as an agent. Peregrine shall have no authority, express or implied, pursuant to this Agreement to bind Customer to any obligation whatsoever.

**12.3. Peregrine's Books and Records.** To the extent required by applicable laws, rules, or regulations, Peregrine shall maintain any and all records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the Customer under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to Peregrine to this Agreement. All such records shall be maintained in accordance with generally accepted standards and shall be made available for inspection, audit, and/or copying during regular business hours, upon written request of the Customer.

**12.4. Force Majeure.** Neither party shall be liable by reason of any failure or delay in performance of its obligations under this Agreement (except for the payment of money) on account of events beyond the reasonable control of such party, which may include Internet denial-of-service attacks, strikes, shortages, riots, insurrection, fires, flood, storm, explosions, acts of God, war, terrorism, governmental action, labor conditions, earthquakes, and material shortages (each, a "**Force Majeure Event**"). Upon the occurrence of a Force Majeure Event, the non-performing party will be excused from any further performance of its obligations affected by the Force Majeure Event for so long as the event continues and such party continues to use commercially reasonable efforts to resume performance.

**12.5. Federal Government.** Any use, copy or disclosure of the Service by the U.S. Government is subject to restrictions as set forth in this Agreement and as provided by DFARS 227.7202-1(a) and 227.7202-3(a)(1995), DFARS 252.227-7013(c)(1)(ii)(October 1998), FAR 12.212(a)(1995), FAR 52.227-19, or FAR 52.227(ALT III), as applicable.

**12.6. Additional Government Terms.** Peregrine acknowledges that Customer may be a public entity and, accordingly, certain additional laws, rules, and regulations may take precedence over the terms and conditions of this Agreement (the "**Additional Government Terms**"). The Additional Government Terms, if any, are attached hereto as **Appendix B: Additional Government Terms** and will govern to the extent of any conflict with any other term of this Agreement.

**12.7. Notices.** All notices under this Agreement shall be in writing and shall be deemed to have been given upon: (a) personal delivery; (b) the second business day after mailing; (c) the second business day after sending by

confirmed facsimile; or (d) after confirmed receipt of an email. Notices to Peregrine shall be addressed to the attention of Nick Noone, CEO, Peregrine Technologies, nick@peregrine.io, with a copy to ben@peregrine.io. Notices to Customer are to be addressed to the individual identified in the Order Form.

**12.8. Waiver; Cumulative Remedies Severability.** No failure or delay by either party in exercising any right under this Agreement shall constitute a waiver of that right. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a party at law or in equity. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision shall be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in effect.

**12.9. Assignment.** Neither party may assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior express written consent of the other party. Notwithstanding the foregoing, Peregrine may assign this Agreement, together with all rights and obligations hereunder, without consent of Customer, in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its stock or assets that relate to this Agreement. Any attempt by a party to assign its rights or obligations under this Agreement in breach of this section shall be void and of no effect. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns.

**12.10. Governing Law.** This Agreement shall be governed by the laws of Illinois. The state courts located in Will County, IL or the United States District Court for the Northern District of Illinois shall have exclusive jurisdiction to adjudicate any dispute arising out of or relating to this Agreement. Each party hereby consents to the exclusive jurisdiction of such courts provided that nothing in this Section 12.10 prohibits either party from seeking or obtaining in any jurisdiction injunctive or similar relief in connection with the enforcement of this Agreement.

**12.11. Construction.** The division of this Agreement into Sections and the insertion of captions and headings are for convenience of reference only and will not affect the construction or interpretation of this Agreement. The terms "this Agreement," "hereof," "hereunder" and any similar expressions refer to this Agreement and not to any particular Section or other portion hereof. The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party will not be applied in the construction or interpretation of this Agreement. As used in this Agreement, the words "include" and "including," and variations thereof, will be deemed to be followed by the words "without limitation" and "discretion" means sole discretion

**12.12. Entire Agreement.** This Agreement constitutes the entire agreement between the parties, and supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless in writing and signed by the party against whom the modification, amendment or waiver is to be asserted. Notwithstanding any language to the contrary therein, no terms or conditions stated in a Customer purchase order or in any other Customer order documentation (excluding the Order Form) shall be incorporated into or form any part of this Agreement, and all such terms or conditions are hereby rejected and shall be null and void.

## Appendix A: Insurance

Peregrine, at its own cost and expense, shall procure the types and amounts of insurance specified herein and maintain that insurance throughout the term of the Agreement. The cost of such insurance shall be included in the Peregrine's bid or proposal. Peregrine shall be fully responsible for the acts and omissions of its subcontractors or other agents.

**Workers' Compensation.** Peregrine shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Peregrine in the amount required by applicable law. The requirement to maintain Statutory Workers' Compensation and Employer's Liability Insurance may be waived by the Customer upon written verification that Peregrine is a sole proprietor and does not have any employees and will not have any employees during the term of this Agreement.

### **Commercial General and Automobile Liability Insurance**

General requirements. Peregrine, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than \$1,000,000 per occurrence and \$2,000,000 aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement.

Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) covering any auto (Code 1), or if Peregrine has no owned autos, hired (code 8) and non-owned autos (Code 9). No endorsement shall be attached limiting the coverage.

Additional requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

- a. The Commercial General and Automobile Liability Insurance shall cover on an occurrence basis.
- b. Customer, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds for liability arising out of work or operations on behalf of the Peregrine, including materials, parts, or equipment furnished in connection with such work or operations; or automobiles owned, leased, hired, or borrowed by the Peregrine. Coverage can be provided in the form of an endorsement to the Peregrine's insurance at least as broad as CG 20 10 11 85, or both CG 20 10 10 01 and CG 20 37 10 01.
- c. For any claims related to this Agreement or the work hereunder, the Peregrine's insurance covered shall be primary insurance as respects the Customer, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the Customer, its officers, officials, employees, agents or volunteers shall be excess of the Peregrine's insurance and non-contributing.
- d. The policy shall cover inter-insured suits and include a "separation of Insureds" or "severability" clause which treats each insured separately.
- e. Peregrine agrees to give at least 30 days prior written notice to Customer before coverage is canceled or modified as to scope or amount.

### **Professional Liability Insurance.**

General requirements. Peregrine, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than \$1,000,000 per occurrence or claim covering the Peregrine's errors and omissions.

Claims-made limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Peregrine must purchase an extended period coverage for a minimum of five (5) years after completion of work under this Agreement.
- d. A copy of the claim reporting requirements must be submitted to the Customer for review prior to the commencement of any work under this Agreement.

**All Policies Requirements.**

Submittal Requirements. Peregrine shall submit the following to Customer prior to beginning services:

Certificate of Liability Insurance in the amounts specified in this Agreement; and

Additional Insured Endorsement as required for the General Commercial and Automobile Liability Policies.

Acceptability of Insurers. All insurance required by this Agreement is to be placed with insurers with a Bests' rating of no less than A:VII.

Deductibles and Self-Insured Retentions. Insurance obtained by the Peregrine shall have a self-insured retention or deductible of no more than \$100,000.

Wasting Policies. No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

Waiver of Subrogation. Peregrine hereby agrees to waive subrogation which any insurer or contractor may require from Peregrine by virtue of the payment of any loss. Peregrine agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the Customer has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the Customer for all work performed by the Peregrine, its employees, agents, and subcontractors.

Subcontractors. Peregrine shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein, and Peregrine shall ensure that Customer, its officers, officials, employees, agents, and volunteers are covered as additional insured on all coverages.

Excess Insurance. If Peregrine maintains higher insurance limits than the minimums specified herein, Customer shall be entitled to coverage for the higher limits maintained by the Peregrine.

Remedies. In addition to any other remedies Customer may have if Peregrine fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, Customer may, at its sole option, order Peregrine to stop work under this Agreement and withhold any payment that becomes due to Peregrine hereunder until Peregrine demonstrates compliance with the requirements hereof, or terminate this Agreement.

## Appendix B: Additional Government Terms

No additional government terms and conditions.



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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File #: TMP-9483

Agenda Date: 2/3/2026

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**TO:** Public Safety Committee

**FROM:** Jeff Carey, Chief of Fire

**SUBJECT:**

Ordinance Amending Chapter 12, Section 13(g) to Impose Lift Assist Fees in Accordance with House Bill 2336

**BACKGROUND:**

The Joliet Fire Department receives numerous "Lift Assist" requests, primarily from assisted living and nursing home facilities. Lift assists is a service provided in appropriate circumstances. They are labor and time intensive and not intended to be a primary service offered by the Joliet Fire Department. These services must be balanced with the other fire and rescue services.

Illinois Municipal Code (65 ILCS 5/11-6-12) authorizes municipalities to impose fees for certain services to balance operational demands and protect taxpayers. The proposed ordinance affirms the City's commitment to provide six (6) Lift Assists annually at no cost to assisted living and nursing home facilities, while establishing a fee schedule for additional requests.

The Public Safety Committee will review this matter.

**CONCLUSION:**

The ordinance amends Chapter 12, Section 13(g) of the City of Joliet Code of Ordinances to impose Lift Assist as follows:

<u>Number of Lift Assists</u>	<u>Service Charge</u>
0 - 6	No Charge
7 - 10	\$350.00 Per Call
11 or more	\$500.00 Per Call

**RECOMMENDATION:**

Based on the above it is recommended that the Mayor and City Council approve the ordinance amending Chapter 12, Section 13(g) to impose Lift Assist fees in accordance with House Bill 2336.

## **ORDINANCE NO.**

### **AN ORDINANCE AMENDING CHAPTER 12, SECTION 13 (g) TO ADD “IMPOSING LIFT ASSIST FEES” ORDINANCE OF THE CITY OF JOLIET CODE OF ORDINANCES**

**WHEREAS**, the Illinois Municipal Code, 65 ILCS 5/1-2-1, provides that the corporate authorities of each municipality may pass all ordinances and make all rules and regulations proper or necessary, to carry into effect the powers granted to municipalities, with such fines or penalties as may be deemed proper; and,

**WHEREAS**, the City of Joliet is a Home Rule Illinois municipality pursuant to the Constitution of the State of Illinois of 1970, as amended; and,

**WHEREAS**, Section 11-6-1 of the Illinois Municipal Code, 65 ILCS 5/11-6-1, empowers Illinois municipalities to operate municipal fire and public safety departments that provide fire and rescue services to residents and others; and,

**WHEREAS**, the City of Joliet operates one such department that provides fire and rescue services to residents and others; and,

**WHEREAS**, the City of Joliet has reported requests for “Lift Assists”, as that term is defined herein; and, requests for “Lift Assists” are increasing operational costs and diverting the City of Joliet’s limited resources away from other calls for service and emergencies; and,

**WHEREAS**, the City of Joliet understands that, while “Lift Assists” are a service provided in appropriate circumstances, “Lift Assists” are (1) labor and time intensive; (2) not intended to be a primary service offering by the Fire Department; and, (3) must be balanced with the other fire and rescue services that all residents of the City of Joliet expect; and,

**WHEREAS**, Section 11-6-12 of the Illinois Municipal Code, 65 ILCS 5/11-6-12, empowers the City of Joliet to balance these competing demands by allowing that any assisted living facility or nursing home facility within the City of Joliet can receive six (6) “Lift Assists” annually at no cost, while allowing the City of Joliet to fix, charge and collect a reasonable fee for any “Lift Assist” requested beyond the six (6) provided annually; and,

**WHEREAS**, Illinois courts have recognized that fee assessments like the one in Section 11-6-12 of the Illinois Municipal Code are intended to protect taxpayers because they allow the municipality’s public safety, fire and rescue services to provide a unique, labor-intensive service in a manner that appropriately allocates the cost of that service between the taxpayers and the requestor. See, e.g., City of Effingham v. Diss Truck & Repair, LLC, 2019 IL App (5th) 180064; and,

**WHEREAS**, the Mayor and City Council believe that it is appropriate, necessary and in the best interests of the City of Joliet and its residents, that the City of Joliet affirm its intent to provide six (6) “Lift Assists” annually to the assisted living facilities and nursing home facilities within the City of Joliet at no cost, while adopting a fee schedule for providing additional “Lift Assists” beyond the initial six (6); and, the City of Joliet understands that, while “Lift Assists” are a service provided in appropriate circumstances, “Lift Assists” are (1) labor and time intensive; (2) not intended to be a primary service offering by the Fire Department; and, (3) must be balanced with the other fire and rescue services that all residents of the City of Joliet expect; and,

**WHEREAS**, the Mayor and City Council believe that such fee structure would appropriately allocate the cost of providing "Lift Assists" while also protecting the operational readiness of the City of Joliet to address other services.

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF JOLIET, PURSUANT TO ITS HOME RULE AND STATUTORY AUTHORITY, AS FOLLOWS:**

**SECTION 1:** The Mayor and City Council hereby find that the recitals contained in the remainder of this Ordinance are true, correct and complete and are hereby incorporated into this Ordinance by reference.

**SECTION 2:** The Chapter 12, Section 13(f) shall include the following definitions to read as follows:

- (6) "Assisted Living Facility" means any facility licensed under the Assisted Living and Shared Housing Act, 210 ILCS 9/1, et seq., as well as any other residential setting that provides assisted-living services for remuneration to three or more persons who reside in such residential setting and are not related to the owner of the residential setting, including but not limited to (i) a Supportive Living Program participant that is regulated by the Illinois Department of Healthcare and Family Services and, (ii) unless expressly exempted in this section, includes a home, an apartment or other facility. Notwithstanding any other provision of this Ordinance to the contrary, "assisted living facility" shall not include an apartment or facility where casual care is provided at irregular intervals, nor where a competent person residing in such home, apartment or facility providing for or contracting for his or her own personal or professional services if no more than 50 percent of the persons residing in such home, apartment or facility receive such services.
- (7) "Lift Assist" means a response to an assisted living facility or nursing home facility by personnel of a fire department, an emergency response unit or a unit of another public safety department providing automatic or mutual aid to a municipality in order to lift a patient or other individual from the individual's current position to a desired position. Notwithstanding anything in this Ordinance to the contrary, the act of lifting a patient or other individual during a response to a request for transportation to a health care facility (specifically such as a hospital or emergency room) shall not be considered a lift assist service.
- (8) "Nursing Home" means a facility licensed under the Nursing Home Care Act, 210 ILCS 45/1, et seq., or a facility or long-term care facility where medical care, nursing care, rehabilitation or related services and associated treatment are provided for a period of more than 24 consecutive hours to persons residing at such facility who are ill, injured or disabled.

**SECTION 3:** that Chapter 12, Section 13(g) Imposing Lift Assist Fees, shall be added to read as follows:

- (a) **Imposition of Lift Assist Fee.** The City of Joliet is hereby empowered, to the maximum extent permitted by Section 11-6-12 of the Illinois Municipal Code, to assess a fee for providing a Lift Assist to any Assisted Living Facility or Nursing Home within the City of Joliet. Said fee shall not exceed the actual personnel and equipment costs incurred by the department in rendering the Lift Assist.
- (b) **Lift Assist as Firefighting Service.** To the extent that the City of Joliet currently fixes, charges and collects a fee for firefighting services under Section 11-6-1.1 of the Illinois Municipal Code,

65 ILCS 5/11-6-1.1, a Lift Assist is hereby declared to constitute a firefighting service provided by the department.

(c) Rules and Regulations. The Fire Chief or their designee is hereby authorized and directed to promulgate reasonable rules and regulations related to the imposition, assessment and collection of the fees allowed under this Ordinance, except that no such rule or regulation shall provide any official with the authority to reduce or waive any fee imposed under this Ordinance without a concurrence of the Mayor and City Council.

<b><u>NUMBER OF ALARMS</u></b>	<b><u>SERVICE CHARGE</u></b>
0 - 6	No charge
7 – 10	\$350.00 Charge Per Call
11 or more	\$500.00 Charge Per Call

**SECTION 3:** In the event that any provision(s) or portion(s) of this Ordinance shall be declared invalid or unenforceable by a Court of competent jurisdiction, such adjudication shall in no way affect or impair the validity or enforceability of any of the remaining provision(s) or portion(s) of this ordinance that may be given effect without such invalid or unenforceable provision(s) or portion(s).

**SECTION 4:** All ordinances or parts thereof in conflict herewith are hereby repealed to the extent of any such conflict.

**SECTION 5:** This Ordinance shall be deemed severable, and the invalidity of any portion hereof shall not invalidate the remainder.

**SECTION 6:** This ordinance shall be in full force and effect immediately upon its passage, approval and publication as provided by law.

PASSED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

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**MAYOR**

**VOTING YES:** \_\_\_\_\_

**VOTING NO:** \_\_\_\_\_

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**CITY CLERK**

**NOT VOTING:** \_\_\_\_\_



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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**File #:** TMP-9437

**Agenda Date:** 2/3/2026

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**TO:** Mayor and City Council

**FROM:** William Evans, Chief of Police

**SUBJECT:**

Resolution Authorizing the Execution of a Memorandum of Understanding Between the City of Joliet and the Will County Sheriff's Office (WSCO)

**BACKGROUND:**

The purpose of the Memorandum of Understanding is to ensure the use of the incinerator to properly dispose of all substances and narcotics. Joliet Police Department confiscates a large number of controlled substances and illegal narcotics. The incinerator is a self-contained device that uses high temperatures to ensure that all combustible matter is completely oxidized, reducing the material to a minimal amount of ash and controlling harmful emissions. The Department currently uses an inefficient and outdated process; this MOU will allow us a better process at no cost.

**RECOMMENDATION:**

Based on the above, it is recommended the Mayor and City Council approve the Resolution to execute a Memorandum of Understanding with the Will County Sheriff's Office (WCSO).

**RESOLUTION NO.**

**A RESOLUTION AUTHORIZING A MEMORANDUM OF UNDERSTANDING BETWEEN  
THE CITY OF JOLIET AND WILL COUNTY SHERIFF'S OFFICE (WCSO)**

**WHEREAS**, the City of Joliet seeks to partner with Will County Sheriff's Office (WCSO) to have access to equipment (incinerator); and

**WHEREAS**, it is necessary and appropriate for the City of Joliet and WCSO to enter into a Memorandum of Understanding (MOU) regarding the policies and procedures for the equipment (incinerator); and

**WHEREAS**, the proposed MOU is attached hereto and incorporated herein as Exhibit "A;" and

**NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF JOLIET, ILLINOIS, AS FOLLOWS:**

**SECTION 1:** The attached MOU regarding use of certain equipment is hereby adopted. The City Manager is authorized to execute the MOU for and on behalf of the City of Joliet.

**SECTION 2:** This Resolution shall be in full force and effect from and after its passage, approval and publication as provided by law.

**PASSED** this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

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**MAYOR**

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**CITY CLERK**

**VOTING YES:** \_\_\_\_\_

**VOTING NO:** \_\_\_\_\_

**NOT VOTING:** \_\_\_\_\_

## **Memorandum of Understanding**

**WHEREAS**, the Will County Sheriff's Office (WCSO), located at 16911 W. Laraway Rd. Joliet, IL 60433, and \_\_\_\_\_ (Agency) located at \_\_\_\_\_, collectively referred to as "Parties" desire to enter into this Memorandum of Understanding (MOU) regarding use of certain equipment in the possession of WCSO effective \_\_\_\_\_ (Effective Date); and

**WHEREAS**, WCSO is in possession of an incinerator designed to destroy controlled substances and illegal narcotics; and

**WHEREAS**, Agency is in need of an incinerator to properly dispose of controlled substances and illegal narcotics in possession of Agency; and

**WHEREAS**, it is in the best interest of WCSO, Agency, and their respective communities that the Parties cooperate as laid out herein to assure the proper destruction of controlled substances and illegal narcotics.

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Term:** The term of this MOU shall commence on the Effective Date and shall continue until termination by either Party as authorized herein.
2. **WCSO Obligations:** The following shall be the responsibility of WCSO under this MOU
  - a. WCSO shall provide Agency with reasonable use of the incinerator when scheduled with prior notice, based on availability.
  - b. Ensure staff is properly trained in use of the incinerator to ensure complete destruction of material in question.
  - c. Provide a contact person for all inquiries related to this MOU
  - d. Maintain a log of items delivered and destroyed in the incinerator.
  - e. Commence and complete all burns.
3. **Agency Obligations:** The following shall be the responsibility of Agency under this MOU
  - a. Provide WCSO with reasonable advanced notice of request to use incinerator.
  - b. Maintain reasonably detailed internal logs concerning the transport of controlled substances and illegal narcotics.

- i. At a minimum such logs shall contain the date and time of delivery, the types of materials delivered and an approximate weight, the name of the delivering officer, and the name of the receiving individual at WCSO.
  - ii. These logs shall be maintained in accordance with the Local Records Act, 50 ILCS 205/1 *et seq.*
- c. Fill out any logs required by WCSO staff.
- d. Transport any material to be destroyed to the WCSO Public Safety Complex, 16911 W. Laraway Rd., Joliet, IL, or other place indicated by WCSO personnel.
  - i. All transport must be conduct by Agency staff, no 3<sup>rd</sup> party deliveries will be accepted
- e. Ensure at least one Agency staff member remains on site until the completion of the burn, unless otherwise directed by WCSO staff.
- f. At no time should Agency staff enter the WCSO Public Safety Complex unless Agency is scheduled for a burn, or for other police business.
- g. Under no circumstances shall Agency drop of any material it desires to be destroyed unless WCSO staff is present and agrees to accept the material.

4. **Maintenance:** WCSO is currently in possession of an incinerator, on which it will conduct routine maintenance and repair when it deems necessary. Agency shall be responsible for any damage responsible for any damage to the incinerator and its components due to material provided by Agency which is not suitable for destruction in the incinerator. WCSO may repair or replace incinerator at its sole election.
5. **Indemnity:** Agency shall indemnify and hold harmless WCSO, the County of Will, and their respective employees, officers, and agents for any damages, costs, or fees, including reasonable attorney's fees that are occasioned due to the incineration and disposal of materials provided by Agency. Nothing herein shall be construed to limit the indemnified entities and individuals from selecting counsel of their choosing or participating in their defense.
6. **Termination:** This MOU will terminate upon:
  - a. 30 calendar days' written notice by either party, or
  - b. Immediately upon the end of useful life of the incinerator and written notice by WCSO that a new incinerator will not be purchased.
7. **No Rights Created:** For avoidance of doubt, nothing herein creates an enforceable right on behalf of Agency, rather it lays out the conditions that must be met for use.
8. **Notices:** Any notice required herein must be in writing and delivered either by U.S. Mail or hand delivery to the following:

If to Agency: \_\_\_\_\_

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If to WCSO: Will County Sheriff's Office  
Attn: Crime Scene Investigation Supervisor  
16911 W Laraway Rd.  
Joliet, Illinois 60433

**Will County Sheriff**

**Agency**

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Mike Kelley

Date: \_\_\_\_\_

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By: \_\_\_\_\_

Date: \_\_\_\_\_



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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File #: TMP-9447

Agenda Date: 2/3/2026

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**TO:** Public Safety Committee

**FROM:** William Evans, Chief of Police

**SUBJECT:**

Resolution to Accept and Implement a Grant from the Illinois Department of Commerce and Economic Opportunity under Public Act 103-0006

**BACKGROUND:**

In October 2024, the Illinois Department of Commerce and Economic Opportunity notified the Joliet Police Department that \$50,000 was appropriated from the General Revenue Fund. The funding agency provided no parameters other than that the funds were for "costs associated with the purchase of police drones". The IDCEO's delay in awarding the grant is unexplained; however, they have now made the award with a tentative start date of 1/1/26 and a termination date of 12/31/2027.

Under this allocation, three larger-capacity drones and two smaller-capacity drones, along with corresponding ancillary equipment, will be purchased. They will enable the department to expand its drone program from its current fleet of 5 drones, including 1 large-capacity and 4 small-capacity drones. Currently, the department has fourteen trained pilots.

The IDCEO has approved the following budget:

Description	Count	Cost	Total
Large-capacity drone	3	\$8,979	\$26,937
Large-capacity drone battery	22	\$325.41	\$7,159.02
Intelligent battery	59	\$6	\$354
Large capacity drone lanyard	3	\$39.99	\$119.97
Small-capacity drone	2	\$5,498	\$10,996
Small-capacity drone battery kit	2	\$659	\$1,318
Small-capacity drone speaker	2	\$159	\$318
Small-capacity drone spotlight	2	\$1,399	\$2,798
Total			\$49,999.99

**CONCLUSION:**

The budgeted items will help the Police Department access modern technology and improve operations across the department.

**RECOMMENDATION:**

Based on the above, it is recommended that the Mayor and City Council approve the attached Resolution authorizing the acceptance of an award from the Illinois Department of Commerce and Economic Opportunity.

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION TO ACCEPT AND IMPLEMENT A GRANT FROM THE ILLINOIS  
DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY UNDER PUBLIC  
ACT 103-0006**

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**BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF  
JOLIET AS FOLLOWS:**

**SECTION 1:** That the Mayor of the City and Council authorize the City Manager to accept the grant from the Illinois Department of Commerce and Economic Opportunity.

**SECTION 2:** This Resolution shall take effect upon its passage.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2026

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MAYOR

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CITY CLERK

**VOTING YES** \_\_\_\_\_

**VOTING NO** \_\_\_\_\_

**NOT VOTING** \_\_\_\_\_



**GRANT AGREEMENT  
BETWEEN  
THE STATE OF ILLINOIS, DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY  
AND  
City of Joliet**

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The parties to this Grant Agreement (Agreement) are the State of Illinois (State), acting through the undersigned agency (Grantor) and City of Joliet (Grantee) (collectively, the "Parties" and individually, a "Party"). The Agreement, consisting of the signature page, the parts listed below, and any additional exhibits or attachments referenced in this Agreement, constitute the entire agreement between the Parties. No promises, terms, or conditions not recited, incorporated or referenced herein, including prior agreements or oral discussions, are binding upon either Grantee or Grantor.

**PART ONE – The Uniform Terms**

<b>Article I</b>	<b>Definitions</b>
<b>Article II</b>	<b>Award Information</b>
<b>Article III</b>	<b>Grantee Certifications and Representations</b>
<b>Article IV</b>	<b>Payment Requirements</b>
<b>Article V</b>	<b>Scope of Award Activities/Purpose of Award</b>
<b>Article VI</b>	<b>Budget</b>
<b>Article VII</b>	<b>Allowable Costs</b>
<b>Article VIII</b>	<b>Lobbying</b>
<b>Article IX</b>	<b>Maintenance and Accessibility of Records; Monitoring</b>
<b>Article X</b>	<b>Financial Reporting Requirements</b>
<b>Article XI</b>	<b>Performance Reporting Requirements</b>
<b>Article XII</b>	<b>Audit Requirements</b>
<b>Article XIII</b>	<b>Termination; Suspension; Non-compliance</b>
<b>Article XIV</b>	<b>Subcontracts/Subawards</b>
<b>Article XV</b>	<b>Notice of Change</b>
<b>Article XVI</b>	<b>Structural Reorganization and Reconstitution of Board Membership</b>
<b>Article XVII</b>	<b>Conflict of Interest</b>
<b>Article XVIII</b>	<b>Equipment or Property</b>
<b>Article XIX</b>	<b>Promotional Materials; Prior Notification</b>
<b>Article XX</b>	<b>Insurance</b>
<b>Article XXI</b>	<b>Lawsuits and Indemnification</b>
<b>Article XXII</b>	<b>Miscellaneous</b>
<b>Exhibit A</b>	<b>Project Description</b>
<b>Exhibit B</b>	<b>Deliverables or Milestones</b>
<b>Exhibit C</b>	<b>Contact Information</b>
<b>Exhibit D</b>	<b>Performance Measures and Standards</b>
<b>Exhibit E</b>	<b>Specific Conditions</b>

**PART TWO – Grantor-Specific Terms**

**PART THREE – Project-Specific Terms**

**The Parties or their duly authorized representatives hereby execute this Agreement.**

**ILLINOIS DEPARTMENT OF COMMERCE AND  
ECONOMIC OPPORTUNITY**

**CITY OF JOLIET**

By: \_\_\_\_\_  
Signature of Kristin A. Richards, Director

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Signature of Designee

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Title: \_\_\_\_\_  
Designee

By: \_\_\_\_\_  
Signature of Second Grantor Approver, if applicable

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Title: \_\_\_\_\_  
Second Grantor Approver

By: \_\_\_\_\_  
Signature of Authorized Representative

Date: \_\_\_\_\_

Printed Name: Beth Beatty

Printed Title: City Manager

Email: bbeatty@joliet.gov

By: \_\_\_\_\_  
Signature of Third Grantor Approver, if applicable

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Title: \_\_\_\_\_  
Third Grantor Approver

By: \_\_\_\_\_  
Signature of Second Grantee Approver, if applicable

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Title: \_\_\_\_\_  
Second Grantee Approver  
(optional at Grantee's discretion)

**PART ONE – THE UNIFORM TERMS**

**ARTICLE I**  
**DEFINITIONS**

1.1. **Definitions.** Capitalized words and phrases used in this Agreement have the meanings stated in 2 CFR 200.1 unless otherwise stated below.

“Allowable Costs” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Award” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Budget” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Catalog of State Financial Assistance” or “CSFA” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Close-out Report” means a report from the Grantee allowing Grantor to determine whether all applicable administrative actions and required work have been completed, and therefore closeout actions can commence.

“Conflict of Interest” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Cooperative Research and Development Agreement” has the same meaning as in 15 USC 3710a.

“Direct Costs” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Financial Assistance” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“GATU” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Grant Agreement” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Grantee Compliance Enforcement System” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Grant Funds” means the Financial Assistance made available to Grantee through this Agreement.

“Grantee Portal” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Indirect Costs” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Indirect Cost Rate” means a device for determining in a reasonable manner the proportion of Indirect Costs each Program should bear. It is a ratio (expressed as a percentage) of the Indirect Costs to a Direct Cost base. If reimbursement of Indirect Costs is allowable under an Award, Grantor will not reimburse those Indirect Costs unless Grantee has established an Indirect Cost Rate covering the applicable activities and period of time, unless Indirect Costs are reimbursed at a fixed rate.

“Indirect Cost Rate Proposal” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Obligations” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Period of Performance” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Prior Approval” has the same meaning as in 44 Ill. Admin. Code 7000.30.

"Profit" means an entity's total revenue less its operating expenses, interest paid, depreciation, and taxes. "Profit" is synonymous with the term "net revenue."

"Program" means the services to be provided pursuant to this Agreement. "Program" is used interchangeably with "Project."

"Program Costs" means all Allowable Costs incurred by Grantee and the value of the contributions made by third parties in accomplishing the objectives of the Award during the Term of this Agreement.

"Related Parties" has the meaning set forth in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 850-10-20.

"SAM" has the same meaning as in 44 Ill. Admin. Code 7000.30.

"State-issued Award" means the assistance that a grantee receives directly from a State agency. The funding source of the State-issued Award can be federal pass-through, State or a combination thereof. "State-issued Award" does not include the following:

- contracts issued pursuant to the Illinois Procurement Code that a State agency uses to buy goods or services from a contractor or a contract to operate State government-owned, contractor-operated facilities;
- agreements that meet the definition of "contract" under 2 CFR 200.1 and 2 CFR 200.331, which a State agency uses to procure goods or services but are exempt from the Illinois Procurement Code due to an exemption listed under 30 ILCS 500/1-10, or pursuant to a disaster proclamation, executive order, or any other exemption permitted by law;
- amounts received for services rendered to an individual;
- Cooperative Research and Development Agreements;
- an agreement that provides only direct cash assistance to an individual;
- a subsidy;
- a loan;
- a loan guarantee; or
- insurance.

"Illinois Stop Payment List" has the same meaning as in 44 Ill. Admin. Code 7000.30.

"Unallowable Cost" has the same meaning as in 44 Ill. Admin. Code 7000.30.

"Unique Entity Identifier" or "UEI" has the same meaning as in 44 Ill. Admin. Code 7000.30.

## ARTICLE II AWARD INFORMATION

2.1. Term. This Agreement is effective on **01/01/2026** and expires on **12/31/2027** (the Term), unless terminated pursuant to this Agreement.

2.2. Amount of Agreement. Grant Funds must not exceed **\$50,000.00**, of which **\$0.00** are federal funds. Grantee accepts Grantor's payment as specified in this ARTICLE.

2.3. Payment. Payment will be made as follows (see additional payment requirements in ARTICLE IV; additional payment provisions specific to this Award may be included in PART TWO or PART THREE):

The Award amount listed in Paragraph 2.2 is not a guarantee of payment, and Grantee's receipt of Grant Funds is contingent upon all terms and conditions of this Agreement.

Reimbursement

Payments to the Grantee are subject to the Grantee's submission and certification of eligible costs and any documentation as required by the Grantor. Payment shall be initiated upon the Grantor's approval of eligible costs and cash amount requested for reimbursement of those costs.

2.4. Award Identification Numbers. If applicable, the Federal Award Identification Number (FAIN) is **N/A**, the federal awarding agency is **N/A**, and the Federal Award date is **N/A**. If applicable, the Assistance Listing Program Title is **N/A** and Assistance Listing Number is **N/A**. The Catalog of State Financial Assistance (CSFA) Number is 420-00-1896 and the CSFA Name is Durable Movable Equipment. If applicable, the State Award Identification Number (SAIN) is 1896-62485.

**ARTICLE III**  
**GRANTEE CERTIFICATIONS AND REPRESENTATIONS**

3.1. Registration Certification. Grantee certifies that: (i) it is registered with SAM and **UKXHU6SJXLR9** is Grantee's correct UEI; (ii) it is in good standing with the Illinois Secretary of State, if applicable; and (iii) Grantee has successfully completed the annual registration and prequalification through the Grantee Portal.

Grantee must remain current with these registrations and requirements. If Grantee's status with regard to any of these requirements changes, or the certifications made in and information provided in the uniform grant application changes, Grantee must notify Grantor in accordance with ARTICLE XV.

3.2. Tax Identification Certification. Grantee certifies that: **366088568** is Grantee's correct federal employer identification number (FEIN) or Social Security Number. Grantee further certifies, if applicable: (a) that Grantee is not subject to backup withholding because (i) Grantee is exempt from backup withholding, or (ii) Grantee has not been notified by the Internal Revenue Service (IRS) that Grantee is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified Grantee that Grantee is no longer subject to backup withholding; and (b) Grantee is a U.S. citizen or other U.S. person. Grantee is doing business as a (check one):

<input type="checkbox"/>	Individual	<input type="checkbox"/>	Pharmacy-Non Corporate
<input type="checkbox"/>	Sole Proprietorship	<input type="checkbox"/>	Pharmacy/Funeral Home/Cemetery Corp.
<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Tax Exempt
<input type="checkbox"/>	Corporation (includes Not For Profit)	<input type="checkbox"/>	Limited Liability Company (select applicable tax classification)
<input type="checkbox"/>	Medical Corporation	<input type="checkbox"/>	
<input checked="" type="checkbox"/>	Governmental Unit	<input type="checkbox"/>	P = partnership
<input type="checkbox"/>	Estate or Trust	<input type="checkbox"/>	C = corporation

If Grantee has not received a payment from the State of Illinois in the last two years, Grantee must submit a W-9 tax form with this Agreement.

3.3. Compliance with Uniform Grant Rules. Grantee certifies that it must adhere to the applicable Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which are published in Title 2, Part 200 of the Code of Federal Regulations (2 CFR Part 200) and are incorporated herein by reference. 44 Ill. Admin. Code 7000.40(c)(1)(A). The requirements of 2 CFR Part 200 apply to the Grant Funds awarded through this Agreement, regardless of whether the original source of the funds is State or federal, unless an exception is noted in federal or State statutes or regulations. 30 ILCS 708/5(b).

3.4. Representations and Use of Funds. Grantee certifies under oath that (1) all representations made in this Agreement are true and correct and (2) all Grant Funds awarded pursuant to this Agreement must be used

only for the purpose(s) described herein. Grantee acknowledges that the Award is made solely upon this certification and that any false statements, misrepresentations, or material omissions will be the basis for immediate termination of this Agreement and repayment of all Grant Funds.

3.5. **Specific Certifications.** Grantee is responsible for compliance with the enumerated certifications in this Paragraph to the extent that the certifications apply to Grantee.

(a) **Bribery.** Grantee certifies that it has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, nor made an admission of guilt of such conduct which is a matter of record.

(b) **Bid Rigging.** Grantee certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Paragraph 33E-3 or 33E-4 of the Criminal Code of 2012 (720 ILCS 5/33E-3 or 720 ILCS 5/33E-4, respectively).

(c) **Debt to State.** Grantee certifies that neither it, nor its affiliate(s), is/are barred from receiving an Award because Grantee, or its affiliate(s), is/are delinquent in the payment of any debt to the State, unless Grantee, or its affiliate(s), has/have entered into a deferred payment plan to pay off the debt.

(d) **International Boycott.** Grantee certifies that neither it nor any substantially owned affiliated company is participating or will participate in an international boycott in violation of the provision of the Anti-Boycott Act of 2018, Part II of the Export Control Reform Act of 2018 (50 USC 4841 through 4843), and the anti-boycott provisions set forth in Part 760 of the federal Export Administration Regulations (15 CFR Parts 730 through 774).

(e) **Discriminatory Club Dues or Fees.** Grantee certifies that it is not prohibited from receiving an Award because it pays dues or fees on behalf of its employees or agents, or subsidizes or otherwise reimburses employees or agents for payment of their dues or fees to any club which unlawfully discriminates (775 ILCS 25/2).

(f) **Pro-Children Act.** Grantee certifies that it is in compliance with the Pro-Children Act of 2001 in that it prohibits smoking in any portion of its facility used for the provision of health, day care, early childhood development services, education or library services to children under the age of eighteen (18) (except such portions of the facilities which are used for inpatient substance abuse treatment) (20 USC 7181-7184).

(g) **Drug-Free Workplace.** If Grantee is not an individual, Grantee certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act. 30 ILCS 580/3. If Grantee is an individual and this Agreement is valued at more than \$5,000, Grantee certifies it will not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during the performance of the Agreement. 30 ILCS 580/4. Grantee further certifies that if it is a recipient of federal pass-through funds, it is in compliance with the government-wide requirements for a drug-free workplace as set forth in 41 USC 8103.

(h) **Motor Voter Law.** Grantee certifies that it is in full compliance with the terms and provisions of the National Voter Registration Act of 1993 (52 USC 20501 et seq.).

(i) **Clean Air Act and Clean Water Act.** Grantee certifies that it is in compliance with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 USC 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 USC 1251 et seq.).

(j) **Debarment.** Grantee certifies that it is not debarred, suspended, proposed for debarment or permanent inclusion on the Illinois Stop Payment List, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal department or agency (2 CFR 200.205(a)), or by the State (30 ILCS 708/25(6)(G)).

(k) **Non-procurement Debarment and Suspension.** Grantee certifies that it is in compliance with Subpart C of 2 CFR Part 180 as supplemented by 2 CFR Part 376, Subpart C.

(l) **Health Insurance Portability and Accountability Act.** Grantee certifies that it is in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Public Law No. 104-191, 45 CFR Parts 160, 162 and 164, and the Social Security Act, 42 USC 1320d-2 through 1320d-7), in that it may not use or disclose protected health information other than as permitted or required by law and agrees to use appropriate safeguards to prevent use or disclosure of the protected health information. Grantee must maintain, for a minimum of six (6) years, all protected health information.

(m) **Criminal Convictions.** Grantee certifies that:

(i) Neither it nor a managerial agent of Grantee (for non-governmental grantees only, this includes any officer, director or partner of Grantee) has been convicted of a felony under the Sarbanes-Oxley Act of 2002, nor a Class 3 or Class 2 felony under Illinois Securities Law of 1953, or that at least five (5) years have passed since the date of the conviction; and

(ii) It must disclose to Grantor all violations of criminal law involving fraud, bribery or gratuity violations potentially affecting this Award. Failure to disclose may result in remedial actions as stated in the Grant Accountability and Transparency Act. 30 ILCS 708/40. Additionally, if Grantee receives over \$10 million in total federal Financial Assistance, during the period of this Award, Grantee must maintain the currency of information reported to SAM regarding civil, criminal or administrative proceedings as required by 2 CFR 200.113 and Appendix XII of 2 CFR Part 200, and 30 ILCS 708/40.

(n) **Federal Funding Accountability and Transparency Act of 2006 (FFATA).** Grantee certifies that it is in compliance with the terms and requirements of 31 USC 6101 with respect to Federal Awards greater than or equal to \$30,000. A FFATA subaward report must be filed by the end of the month following the month in which the award was made.

(o) **Illinois Works Review Panel.** For Awards made for public works projects, as defined in the Illinois Works Jobs Program Act, Grantee certifies that it and any contractor(s) or subcontractor(s) that performs work using funds from this Award, must, upon reasonable notice, appear before and respond to requests for information from the Illinois Works Review Panel. 30 ILCS 559/20-25(d).

(p) **Anti-Discrimination.** Grantee certifies that its employees and subcontractors under subcontract made pursuant to this Agreement, must comply with all applicable provisions of State and federal laws and regulations pertaining to nondiscrimination, sexual harassment and equal employment opportunity including, but not limited to: Illinois Human Rights Act (775 ILCS 5/1-101 et seq.), including, without limitation, 44 Ill. Admin. Code 750- Appendix A, which is incorporated herein; Public Works Employment Discrimination Act (775 ILCS 10/1 et seq.); Civil Rights Act of 1964 (as amended) (42 USC 2000a - 2000h-6); Section 504 of the Rehabilitation Act of 1973 (29 USC 794); Americans with Disabilities Act of 1990 (as amended) (42 USC 12101 et seq.); and the Age Discrimination Act of 1975 (42 USC 6101 et seq.).

(q) **Internal Revenue Code and Illinois Income Tax Act.** Grantee certifies that it complies with all provisions of the federal Internal Revenue Code (26 USC 1), the Illinois Income Tax Act (35 ILCS 5),

and all regulations and rules promulgated thereunder, including withholding provisions and timely deposits of employee taxes and unemployment insurance taxes.

#### ARTICLE IV PAYMENT REQUIREMENTS

4.1. Availability of Appropriation; Sufficiency of Funds. This Agreement is contingent upon and subject to the availability of sufficient funds. Grantor may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if (i) sufficient funds for this Agreement have not been appropriated or otherwise made available to Grantor by the State or the federal funding source, (ii) the Governor or Grantor reserves funds, or (iii) the Governor or Grantor determines that funds will not or may not be available for payment. Grantor must provide notice, in writing, to Grantee of any such funding failure and its election to terminate or suspend this Agreement as soon as practicable. Any suspension or termination pursuant to this Paragraph will be effective upon the date of the written notice unless otherwise indicated.

4.2. Pre-Award Costs. Pre-award costs are not permitted unless specifically authorized by Grantor in Exhibit A, PART TWO or PART THREE of this Agreement. If they are authorized, pre-award costs must be charged to the initial Budget Period of the Award, unless otherwise specified by Grantor. 2 CFR 200.458.

4.3. Return of Grant Funds. Grantee must liquidate all Obligations incurred under the Award within forty-five (45) days of the end of the Period of Performance, or in the case of capital improvement Awards, within forty-five (45) days of the end of the time period the Grant Funds are available for expenditure or obligation, unless Grantor permits a longer period in PART TWO OR PART THREE. Grantee must return to Grantor within forty-five (45) days of the end of the applicable time period as set forth in this Paragraph all remaining Grant Funds that are not expended or legally obligated.

4.4. Cash Management Improvement Act of 1990. Unless notified otherwise in PART TWO or PART THREE, Grantee must manage federal funds received under this Agreement in accordance with the Cash Management Improvement Act of 1990 (31 USC 6501 et seq.) and any other applicable federal laws or regulations. 2 CFR 200.305; 44 Ill. Admin. Code 7000.120.

4.5. Payments to Third Parties. Grantor will have no liability to Grantee when Grantor acts in good faith to redirect all or a portion of any Grantee payment to a third party. Grantor will be deemed to have acted in good faith when it is in possession of information that indicates Grantee authorized Grantor to intercept or redirect payments to a third party or when so ordered by a court of competent jurisdiction.

4.6. Modifications to Estimated Amount. If the Agreement amount is established on an estimated basis, then it may be increased by mutual agreement at any time during the Term. Grantor may decrease the estimated amount of this Agreement at any time during the Term if (i) Grantor believes Grantee will not use the funds during the Term, (ii) Grantor believes Grantee has used Grant Funds in a manner that was not authorized by this Agreement, (iii) sufficient funds for this Agreement have not been appropriated or otherwise made available to Grantor by the State or the federal funding source, (iv) the Governor or Grantor reserves funds, or (v) the Governor or Grantor determines that funds will or may not be available for payment. Grantee will be notified, in writing, of any adjustment of the estimated amount of this Agreement. In the event of such reduction, services provided by Grantee under Exhibit A may be reduced accordingly. Grantor must pay Grantee for work satisfactorily performed prior to the date of the notice regarding adjustment. 2 CFR 200.308.

4.7. Interest.

(a) All interest earned on Grant Funds held by a Grantee or a subrecipient will be treated in accordance with 2 CFR 200.305(b)(12), unless otherwise provided in PART TWO or PART THREE. Grantee

and its subrecipients must remit annually any amount due in accordance with 2 CFR 200.305(b)(12) or to Grantor, as applicable.

(b) Grant Funds must be placed in an insured account, whenever possible, that bears interest, unless exempted under 2 CFR 200.305(b)(10), (b)(11).

4.8. Timely Billing Required. Grantee must submit any payment request to Grantor within fifteen (15) days of the end of the quarter, unless another billing schedule is specified in ARTICLE II, PART TWO, or PART THREE. Failure to submit such payment request timely will render the amounts billed Unallowable Costs which Grantor cannot reimburse. In the event that Grantee is unable, for good cause, to submit its payment request timely, Grantee shall timely notify Grantor and may request an extension of time to submit the payment request. Grantor's approval of Grantee's request for an extension shall not be unreasonably withheld.

4.9. Certification. Pursuant to 2 CFR 200.415, each invoice and report submitted by Grantee (or subrecipient) must contain the following certification by an official authorized to legally bind Grantee (or subrecipient):

By signing this report [or payment request or both], I certify to the best of my knowledge and belief that the report [or payment request] is true, complete, and accurate; that the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the State or federal pass-through award; and that supporting documentation has been submitted as required by the grant agreement. I acknowledge that approval for any other expenditure described herein is considered conditional subject to further review and verification in accordance with the monitoring and records retention provisions of the grant agreement. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise (U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812; 30 ILCS 708/120).

## ARTICLE V SCOPE OF AWARD ACTIVITIES/PURPOSE OF AWARD

5.1. Scope of Award Activities/Purpose of Award. Grantee must perform as described in this Agreement, including as described in Exhibit A (Project Description), Exhibit B (Deliverables or Milestones), and Exhibit D (Performance Measures and Standards), as applicable. Grantee must further comply with all terms and conditions set forth in the Notice of State Award (44 Ill. Admin. Code 7000.360) which is incorporated herein by reference. All Grantor-specific provisions and programmatic reporting required under this Agreement are described in PART TWO (Grantor-Specific Terms). All Project-specific provisions and reporting required under this Agreement are described in PART THREE (Project-Specific Terms).

5.2. Scope Revisions. Grantee must obtain Prior Approval from Grantor whenever a scope revision is necessary for one or more of the reasons enumerated in 44 Ill. Admin. Code 7000.370(b)(2). All requests for scope revisions that require Grantor approval must be signed by Grantee's authorized representative and submitted to Grantor for approval. Expenditure of funds under a requested revision is prohibited and will not be reimbursed if expended before Grantor gives written approval. 2 CFR 200.308.

5.3. Specific Conditions. If applicable, specific conditions required after a risk assessment are included in Exhibit E. Grantee must adhere to the specific conditions listed therein. 44 Ill. Admin. Code 7000.340(e).

## ARTICLE VI

## BUDGET

6.1. Budget. The Budget submitted by Grantee at application, or a revised Budget subsequently submitted and approved by Grantor, is considered final and is incorporated herein by reference.

6.2. Budget Revisions. Grantee must obtain Prior Approval, whether mandated or discretionary, from Grantor whenever a Budget revision is necessary for one or more of the reasons enumerated in 44 Ill. Admin. Code 7000.370(b). All requests for Budget revisions that require Grantor approval must be signed by Grantee's authorized representative and submitted to Grantor for approval. Expenditure of funds under a requested revision is prohibited and will not be reimbursed if expended before Grantor gives written approval.

6.3. Notification. Within thirty (30) calendar days from the date of receipt of the request for Budget revisions, Grantor will review the request and notify Grantee whether the Budget revision has been approved, denied, or the date upon which a decision will be reached. 44 Ill. Admin. Code 7000.370(b)(7).

## ARTICLE VII ALLOWABLE COSTS

7.1. Allowability of Costs; Cost Allocation Methods. The allowability of costs and cost allocation methods for work performed under this Agreement will be determined in accordance with 2 CFR Part 200 Subpart E and Appendices III, IV, V, and VII.

7.2. Indirect Cost Rate Submission.

(a) All grantees, except for Local Education Agencies (as defined in 34 CFR 77.1), must make an Indirect Cost Rate election in the Grantee Portal, even grantees that do not charge or expect to charge Indirect Costs. 44 Ill. Admin. Code 7000.420(e).

(i) Waived and de minimis Indirect Cost Rate elections will remain in effect until Grantee elects a different option.

(b) Grantee must submit an Indirect Cost Rate Proposal in accordance with federal and State regulations, in a format prescribed by Grantor. For grantees who have never negotiated an Indirect Cost Rate before, the Indirect Cost Rate Proposal must be submitted for approval no later than three months after the effective date of the Award. For grantees who have previously negotiated an Indirect Cost Rate, the Indirect Cost Rate Proposal must be submitted for approval within 180 days of Grantee's fiscal year end, as dictated in the applicable appendices, such as:

- (i) Appendix VII to 2 CFR Part 200 governs Indirect Cost Rate Proposals for state and Local Governments and Indian Tribes,
- (ii) Appendix III to 2 CFR Part 200 governs Indirect Cost Rate Proposals for public and private institutions of higher education,
- (iii) Appendix IV to 2 CFR Part 200 governs Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations, and
- (iv) Appendix V to 2 CFR Part 200 governs state/Local Government-wide Central Service Cost Allocation Plans.

(c) A grantee who has a current, applicable rate negotiated by a cognizant federal agency must provide to Grantor a copy of its Indirect Cost Rate acceptance letter from the federal government and a copy of all documentation regarding the allocation methodology for costs used to negotiate that rate, e.g., without limitation, the cost policy statement or disclosure narrative statement. Grantor will accept that Indirect Cost Rate, up to any statutory, rule-based or programmatic limit.

(d) A grantee who does not have a current negotiated rate, may elect to charge a *de minimis* rate up to 15 percent of modified total direct costs, which may be used indefinitely. No documentation is required to justify the *de minimis* Indirect Cost Rate. 2 CFR 200.414(f).

7.3. **Transfer of Costs.** Cost transfers between Grants, whether as a means to compensate for cost overruns or for other reasons, are unallowable. 2 CFR 200.451.

7.4. **Commercial Organization Cost Principles.** The federal cost principles and procedures for cost analysis and the determination, negotiation and allowance of costs that apply to commercial organizations are set forth in 48 CFR Part 31.

7.5. **Financial Management Standards.** The financial management systems of Grantee must meet the following standards:

(a) **Accounting System.** Grantee organizations must have an accounting system that provides accurate, current, and complete disclosure of all financial transactions related to each state- and federally-funded Program. Accounting records must contain information pertaining to State and federal pass-through awards, authorizations, Obligations, unobligated balances, assets, outlays, and income. These records must be maintained on a current basis and balanced at least quarterly. Cash contributions to the Program from third parties must be accounted for in the general ledger with other Grant Funds. Third party in-kind (non-cash) contributions are not required to be recorded in the general ledger, but must be under accounting control, possibly through the use of a memorandum ledger. To comply with 2 CFR 200.305(b)(9) and 30 ILCS 708/97, Grantee must use reasonable efforts to ensure that funding streams are delineated within Grantee's accounting system. 2 CFR 200.302.

(b) **Source Documentation.** Accounting records must be supported by such source documentation as canceled checks, bank statements, invoices, paid bills, donor letters, time and attendance records, activity reports, travel reports, contractual and consultant agreements, and subaward documentation. All supporting documentation must be clearly identified with the Award and general ledger accounts which are to be charged or credited.

(i) The documentation standards for salary charges to Grants are prescribed by 2 CFR 200.430, and in the cost principles applicable to the Grantee's organization.

(ii) If records do not meet the standards in 2 CFR 200.430, then Grantor may notify Grantee in **PART TWO**, **PART THREE** or **Exhibit E** of the requirement to submit personnel activity reports. 2 CFR 200.430(g)(8). Personnel activity reports must account on an after-the-fact basis for one hundred percent (100%) of the employee's actual time, separately indicating the time spent on the Award, other grants or projects, vacation or sick leave, and administrative time, if applicable. The reports must be signed by the employee, approved by the appropriate official, and coincide with a pay period. These time records must be used to record the distribution of salary costs to the appropriate accounts no less frequently than quarterly.

(iii) Formal agreements with independent contractors, such as consultants, must include a description of the services to be performed, the period of performance, the fee and method of payment, an itemization of travel and other costs which are chargeable to the agreement, and the signatures of both the contractor and an appropriate official of Grantee.

(iv) If third party in-kind (non-cash) contributions are used for Award purposes, the valuation of these contributions must be supported with adequate documentation.

(c) **Internal Control.** Grantee must maintain effective control and accountability for all cash, real and personal property, and other assets. Grantee must adequately safeguard all such property and must provide assurance that it is used solely for authorized purposes. Grantee must also have systems in place that provide reasonable assurance that the information is accurate, allowable, and compliant with the terms and conditions of this Agreement. 2 CFR 200.303.

(d) **Budget Control.** Grantee must maintain records of expenditures for each Award by the cost categories of the approved Budget (including Indirect Costs that are charged to the Award), and actual expenditures are to be compared with budgeted amounts at least quarterly.

(e) **Cash Management.** Requests for advance payment must be limited to Grantee's immediate cash needs. Grantee must have written procedures to minimize the time elapsing between the receipt and the disbursement of Grant Funds to avoid having excess funds on hand. 2 CFR 200.305.

7.6. **Profits.** It is not permitted for any person or entity to earn a Profit from an Award. See, e.g., 2 CFR 200.400(g); see also 30 ILCS 708/60(a)(7).

7.7. **Management of Program Income.** Grantee is encouraged to earn income to defray Program Costs where appropriate, subject to 2 CFR 200.307.

## ARTICLE VIII LOBBYING

8.1. **Improper Influence.** Grantee certifies that it will not use and has not used Grant Funds to influence or attempt to influence an officer or employee of any government agency or a member or employee of the State or federal legislature in connection with the awarding of any agreement, the making of any grant, the making of any loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any agreement, grant, loan or cooperative agreement. Additionally, Grantee certifies that it has filed the required certification under the Byrd Anti-Lobbying Amendment (31 USC 1352), if applicable.

8.2. **Federal Form LLL.** If any federal funds, other than federally-appropriated funds, were paid or will be paid to any person for influencing or attempting to influence any of the above persons in connection with this Agreement, the undersigned must also complete and submit Federal Form LLL, Disclosure of Lobbying Activities Form, in accordance with its instructions.

8.3. **Lobbying Costs.** Grantee certifies that it is in compliance with the restrictions on lobbying set forth in 2 CFR 200.450. For any Indirect Costs associated with this Agreement, total lobbying costs must be separately identified in the Program Budget, and thereafter treated as other Unallowable Costs.

8.4. **Procurement Lobbying.** Grantee warrants and certifies that it and, to the best of its knowledge, its subrecipients have complied and will comply with Illinois Executive Order No. 1 (2007) (EO 1-2007). EO 1-2007 generally prohibits grantees and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments, if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

8.5. **Subawards.** Grantee must include the language of this ARTICLE in the award documents for any subawards made pursuant to this Award at all tiers. All subrecipients are also subject to certification and disclosure. Pursuant to Appendix II(l) to 2 CFR Part 200, Grantee must forward all disclosures by contractors regarding this certification to Grantor.

8.6. **Certification.** This certification is a material representation of fact upon which reliance was placed to enter into this transaction and is a prerequisite for this transaction, pursuant to 31 USC 1352. Any person who fails to file the required certifications will be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

## ARTICLE IX

### MAINTENANCE AND ACCESSIBILITY OF RECORDS; MONITORING

9.1. Records Retention. Grantee must maintain for three (3) years from the date of submission of the final expenditure report, adequate books, all financial records and, supporting documents, statistical records, and all other records pertinent to this Award, adequate to comply with 2 CFR 200.334, unless a different retention period is specified in 2 CFR 200.334, 44 Ill. Admin. Code 7000.430(a) and (b) or **PART TWO** or **PART THREE**. If any litigation, claim or audit is started before the expiration of the retention period, the records must be retained until all litigation, claims or audit exceptions involving the records have been resolved and final action taken.

9.2. Accessibility of Records. Grantee, in compliance with 2 CFR 200.337 and 44 Ill. Admin. Code 7000.430(f), must make books, records, related papers, supporting documentation and personnel relevant to this Agreement available to authorized Grantor representatives, the Illinois Auditor General, Illinois Attorney General, any Executive Inspector General, Grantor's Inspector General, federal authorities, any person identified in 2 CFR 200.337, and any other person as may be authorized by Grantor (including auditors), by the State of Illinois or by federal statute. Grantee must cooperate fully in any such audit or inquiry.

9.3. Failure to Maintain Books and Records. Failure to maintain adequate books, records and supporting documentation, as described in this ARTICLE, will result in the disallowance of costs for which there is insufficient supporting documentation and also establishes a presumption in favor of the State for the recovery of any Grant Funds paid by the State under this Agreement for which adequate books, records and supporting documentation are not available to support disbursement.

9.4. Monitoring and Access to Information. Grantee must monitor its activities to assure compliance with applicable state and federal requirements and to assure its performance expectations are being achieved. Grantor will monitor the activities of Grantee to assure compliance with all requirements, including applicable programmatic rules, regulations, and guidelines that the Grantor promulgates or implements, and performance expectations of the Award. Grantee must timely submit all financial and performance reports, and must supply, upon Grantor's request, documents and information relevant to the Award. Grantor may make site visits as warranted by Program needs. 2 CFR 200.329; 200.332. Additional monitoring requirements may be in **PART TWO** or **PART THREE**.

## ARTICLE X

### FINANCIAL REPORTING REQUIREMENTS

10.1. Required Periodic Financial Reports. Grantee must submit financial reports as requested and in the format required by Grantor no later than the dues date(s) specified in **PART TWO** or **PART THREE**. Grantee must submit reports to Grantor describing the expenditure(s) of the funds related thereto at the intervals specified by Grantor, which must be no less frequent than annually and no more frequent than quarterly, unless otherwise specified in either PART TWO or PART THREE (approved as an exception by GATU) or on Exhibit E pursuant to specific conditions. 2 CFR 200.328(b). Any report required by 30 ILCS 708/125 may be detailed in **PART TWO** or **PART THREE**.

10.2. Financial Close-out Report.

(a) Grantee must submit a financial Close-out Report, in the format required by Grantor, by the due date specified in **PART TWO** or **PART THREE**, which must be no later than sixty (60) calendar days following the end of the Period of Performance for this Agreement or Agreement termination. The format of this financial Close-out Report must follow a format prescribed by Grantor. 2 CFR 200.344; 44 Ill. Admin. Code 7000.440(b).

(b) If an audit or review of Grantee occurs and results in adjustments after Grantee submits a Close-out Report, Grantee must submit a new financial Close-out Report based on audit adjustments, and immediately submit a refund to Grantor, if applicable. 2 CFR 200.345; 44 Ill. Admin. Code 7000.450.

10.3. Effect of Failure to Comply. Failure to comply with the reporting requirements in this Agreement may cause a delay or suspension of funding or require the return of improper payments or Unallowable Costs, and will be considered a material breach of this Agreement. Grantee's failure to comply with ARTICLE X, ARTICLE XI, or ARTICLE XVII will be considered *prima facie* evidence of a breach and may be admitted as such, without further proof, into evidence in an administrative proceeding before Grantor, or in any other legal proceeding. Grantee should refer to the State Grantee Compliance Enforcement System for policy and consequences for failure to comply. 44 Ill. Admin. Code 7000.80.

## ARTICLE XI PERFORMANCE REPORTING REQUIREMENTS

11.1. Required Periodic Performance Reports. Grantee must submit performance reports as requested and in the format required by Grantor no later than the due date(s) specified in **PART TWO** or **PART THREE**. 44 Ill. Admin. Code 7000.410. Grantee must report to Grantor on the performance measures listed in **Exhibit D**, **PART TWO** or **PART THREE** at the intervals specified by Grantor, which must be no less frequent than annually and no more frequent than quarterly, unless otherwise specified in either **PART TWO** or **PART THREE** (approved as an exception by GATU), or on **Exhibit E** pursuant to specific conditions. For certain construction-related Awards, such reports may be exempted as identified in **PART TWO** or **PART THREE**. 2 CFR 200.329.

11.2. Performance Close-out Report. Grantee must submit a performance Close-out Report, in the format required by Grantor by the due date specified in **PART TWO** or **PART THREE**, which must be no later than 60 calendar days following the end of the Period of Performance or Agreement termination. 2 CFR 200.344; 44 Ill. Admin. Code 7000.440(b).

11.3. Content of Performance Reports. Pursuant to 2 CFR 200.329(b) and (c), all performance reports must relate the financial data and project or program accomplishments to the performance goals and objectives of this Award and also include the following: a comparison of actual accomplishments to the objectives of the Award established for the reporting period (for example, comparing costs to units of accomplishment); computation of the cost and demonstration of cost effective practices (e.g., through unit cost data); performance trend data and analysis if required; the reasons why established goals were not met, if appropriate; and additional information, analysis, and explanation of any cost overruns or higher-than-expected unit costs. Additional content and format guidelines for the performance reports will be determined by Grantor contingent on the Award's statutory, regulatory and administrative requirements, and are included in **PART TWO** or **PART THREE** of this Agreement.

## ARTICLE XII AUDIT REQUIREMENTS

12.1. Audits. Grantee is subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 USC 7501-7507), Subpart F of 2 CFR Part 200, and the audit rules and policies set forth by the Governor's Office of Management and Budget. 30 ILCS 708/65(c); 44 Ill. Admin. Code 7000.90.

12.2. Consolidated Year-End Financial Reports (CYEFR). All grantees must complete and submit a CYEFR through the Grantee Portal, except those exempted by federal or State statute or regulation, as set forth in **PART TWO** or **PART THREE**. The CYEFR is a required schedule in Grantee's audit report if Grantee is required to complete and submit an audit report as set forth herein.

(a) Grantee's CYEFR must cover the same period as the audited financial statements, if required, and must be submitted in accordance with the audit schedule at 44 Ill. Admin. Code 7000.90. If Grantee is not required to complete audited financial statements, the CYEFR must cover Grantee's fiscal year and must be submitted within 6 months of the Grantee's fiscal year-end.

(b) The CYEFR must include an in relation to opinion from the auditor of the financial statements included in the audit.

(c) The CYEFR must follow a format prescribed by Grantor.

12.3. Entities That Are Not "For-Profit".

(a) This Paragraph applies to Grantees that are not "for-profit" entities.

(b) Single and Program-Specific Audits. If, during its fiscal year, Grantee expends at least \$1,000,000 in federal Awards (direct federal and federal pass-through awards combined), Grantee must have a single audit or program-specific audit conducted for that year as required by 2 CFR 200.501 and other applicable sections of Subpart F of 2 CFR Part 200. The audit report packet must be completed as described in 2 CFR 200.512 (single audit) or 2 CFR 200.507 (program-specific audit), 44 Ill. Admin. Code 7000.90(h)(1) and the current GATA audit manual and submitted to the Federal Audit Clearinghouse, as required by 2 CFR 200.512. The results of peer and external quality control reviews, management letters issued by the auditors and their respective corrective action plans if significant deficiencies or material weaknesses are identified, and the CYEFR(s) must be submitted to the Grantee Portal at the same time the audit report packet is submitted to the Federal Audit Clearinghouse. The due date of all required submissions set forth in this Paragraph is the earlier of (i) thirty (30) calendar days after receipt of the auditor's report(s) or (ii) nine (9) months after the end of Grantee's audit period.

(c) Financial Statement Audit. If, during its fiscal year, Grantee expends less than \$1,000,000 in federal Awards, Grantee is subject to the following audit requirements:

(i) If, during its fiscal year, Grantee expends at least \$750,000 in State-issued Awards, Grantee must have a financial statement audit conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS). Grantee may be subject to additional requirements in **PART TWO**, **PART THREE** or **Exhibit E** based on Grantee's risk profile.

(ii) If, during its fiscal year, Grantee expends less than \$750,000 in State-issued Awards, but expends at least \$500,000 in State-issued Awards, Grantee must have a financial statement audit conducted in accordance with the Generally Accepted Auditing Standards (GAAS).

(iii) If Grantee is a Local Education Agency (as defined in 34 CFR 77.1), Grantee must have a financial statement audit conducted in accordance with GAGAS, as required by 23 Ill. Admin. Code 100.110, regardless of the dollar amount of expenditures of State-issued Awards.

(iv) If Grantee does not meet the requirements in subsections 12.3(b) and 12.3(c)(i)-(iii) but is required to have a financial statement audit conducted based on other regulatory requirements, Grantee must submit those audits for review.

(v) Grantee must submit its financial statement audit report packet, as set forth in 44 Ill. Admin. Code 7000.90(h)(2) and the current GATA audit manual, to the Grantee Portal within the earlier of (i) thirty (30) calendar days after receipt of the auditor's report(s) or (ii) six (6) months after the end of Grantee's audit period.

12.4. "For-Profit" Entities.

(a) This Paragraph applies to Grantees that are "for-profit" entities.

(b) Program-Specific Audit. If, during its fiscal year, Grantee expends at least \$1,000,000 in federal pass-through funds from State-issued Awards, Grantee must have a program-specific audit conducted in accordance with 2 CFR 200.507. The auditor must audit federal pass-through programs with federal pass-through Awards expended that, in the aggregate, cover at least 50 percent (0.50) of total federal pass-through Awards expended. The audit report packet must be completed as described in 2 CFR 200.507 (program-specific audit), 44 Ill. Admin. Code 7000.90 and the current GATA audit manual, and must be submitted to the Grantee Portal. The due date of all required submissions set forth in this Paragraph is the earlier of (i) thirty (30) calendar days after receipt of the auditor's report(s) or (ii) nine (9) months after the end of Grantee's audit period.

(c) Financial Statement Audit. If, during its fiscal year, Grantee expends less than \$1,000,000 in federal pass-through funds from State-issued Awards, Grantee must follow all of the audit requirements in Paragraphs 12.3(c)(i)-(v), above.

(d) Publicly-Traded Entities. If Grantee is a publicly-traded company, Grantee is not subject to the single audit or program-specific audit requirements, but must submit its annual audit conducted in accordance with its regulatory requirements.

12.5. Performance of Audits. For those organizations required to submit an independent audit report, the audit must be conducted by the Illinois Auditor General (as required for certain governmental entities only), or a Certified Public Accountant or Certified Public Accounting Firm licensed in the State of Illinois or in accordance with Section 5.2 of the Illinois Public Accounting Act (225 ILCS 450/5.2). For all audits required to be performed subject to GAGAS or Generally Accepted Auditing Standards, Grantee must request and maintain on file a copy of the auditor's most recent peer review report and acceptance letter. Grantee must follow procedures prescribed by Grantor for the preparation and submission of audit reports and any related documents.

12.6. Delinquent Reports. When audit reports or financial statements required under this ARTICLE are prepared by the Illinois Auditor General, if they are not available by the above-specified due date, they must be provided to Grantor within thirty (30) days of becoming available. Grantee should refer to the State Grantee Compliance Enforcement System for the policy and consequences for late reporting. 44 Ill. Admin. Code 7000.80.

## **ARTICLE XIII** **TERMINATION; SUSPENSION; NON-COMPLIANCE**

### **13.1. Termination.**

(a) Either Party may terminate this Agreement, in whole or in part, upon thirty (30) calendar days' prior written notice to the other Party.

(b) If terminated by the Grantee, Grantee must include the reasons for such termination, the effective date, and, in the case of a partial termination, the portion to be terminated. If Grantor determines in the case of a partial termination that the reduced or modified portion of the Award will not accomplish the purposes for which the Award was made, Grantor may terminate the Agreement in its entirety. 2 CFR 200.340(a)(3).

(c) This Agreement may be terminated, in whole or in part, by Grantor:

(i) Pursuant to a funding failure under Paragraph 4.1;

(ii) If Grantee fails to comply with the terms and conditions of this or any Award, application or proposal, including any applicable rules or regulations, or has made a false representation in connection with the receipt of this or any Award; or

(iii) If the Award no longer effectuates the Program goals or agency priorities and if this termination is permitted in the terms and conditions of the Award, which must be detailed in Exhibit A, PART TWO or PART THREE.

13.2. Suspension. Grantor may suspend this Agreement, in whole or in part, pursuant to a funding failure under Paragraph 4.1 or if the Grantee fails to comply with terms and conditions of this or any Award. If suspension is due to Grantee's failure to comply, Grantor may withhold further payment and prohibit Grantee from incurring additional Obligations pending corrective action by Grantee or a decision to terminate this Agreement by Grantor. Grantor may allow necessary and proper costs that Grantee could not reasonably avoid during the period of suspension.

13.3. Non-compliance. If Grantee fails to comply with the U.S. Constitution, applicable statutes, regulations or the terms and conditions of this or any Award, Grantor may impose additional conditions on Grantee, as described in 2 CFR 200.208. If Grantor determines that non-compliance cannot be remedied by imposing additional conditions, Grantor may take one or more of the actions described in 2 CFR 200.339. The Parties must follow all Grantor policies and procedures regarding non-compliance, including, but not limited to, the procedures set forth in the State Grantee Compliance Enforcement System. 44 Ill. Admin. Code 7000.80 and 7000.260.

13.4. Objection. If Grantor suspends or terminates this Agreement, in whole or in part, for cause, or takes any other action in response to Grantee's non-compliance, Grantee may avail itself of any opportunities to object and challenge such suspension, termination or other action by Grantor in accordance with any applicable processes and procedures, including, but not limited to, the procedures set forth in the State Grantee Compliance Enforcement System. 2 CFR 200.342; 44 Ill. Admin. Code 7000.80 and 7000.260.

13.5. Effects of Suspension and Termination.

(a) Grantor may credit Grantee for allowable expenditures incurred in the performance of authorized services under this Agreement prior to the effective date of a suspension or termination.

(b) Except as set forth in subparagraph (c), below, Grantee must not incur any costs or Obligations that require the use of Grant Funds after the effective date of a suspension or termination, and must cancel as many outstanding Obligations as possible.

(c) Costs to Grantee resulting from Obligations incurred by Grantee during a suspension or after termination of the Agreement are not allowable unless Grantor expressly authorizes them in the notice of suspension or termination or subsequently. However, Grantor may allow costs during a suspension or after termination if:

(i) The costs result from Obligations properly incurred before the effective date of suspension or termination, are not in anticipation of the suspension or termination, and the costs would be allowable if the Agreement was not suspended or terminated prematurely. 2 CFR 200.343.

13.6. Close-out of Terminated Agreements. If this Agreement is terminated, in whole or in part, the Parties must comply with all close-out and post-termination requirements of this Agreement. 2 CFR 200.340(d).

**ARTICLE XIV**  
**SUBCONTRACTS/SUBAWARDS**

14.1. Subcontracting/Subrecipients/Delegation. Grantee must not subcontract nor issue a subaward for any portion of this Agreement nor delegate any duties hereunder without Prior Approval of Grantor. The requirement for Prior Approval is satisfied if the subcontractor or subrecipient has been identified in the uniform grant application, such as, without limitation, a Project description, and Grantor has approved. Grantee must follow all applicable requirements set forth in 2 CFR 200.332.

14.2. Application of Terms. If Grantee enters into a subaward agreement with a subrecipient, Grantee must notify the subrecipient of the applicable laws and regulations and terms and conditions of this Award by attaching this Agreement to the subaward agreement. The terms of this Agreement apply to all subawards authorized in accordance with Paragraph 14.1. 2 CFR 200.101(b).

14.3. Liability as Guaranty. Grantee will be liable as guarantor for any Grant Funds it obligates to a subrecipient or subcontractor pursuant to this ARTICLE in the event Grantor determines the funds were either misspent or are being improperly held and the subrecipient or subcontractor is insolvent or otherwise fails to return the funds. 2 CFR 200.345; 30 ILCS 705/6; 44 Ill. Admin. Code 7000.450(a).

## ARTICLE XV NOTICE OF CHANGE

15.1. Notice of Change. Grantee must notify Grantor if there is a change in Grantee's legal status, FEIN, UEI, SAM registration status, Related Parties, senior management (for non-governmental grantees only) or address. If the change is anticipated, Grantee must give thirty (30) days' prior written notice to Grantor. If the change is unanticipated, Grantee must give notice as soon as practicable thereafter. Grantor reserves the right to take any and all appropriate action as a result of such change(s).

15.2. Failure to Provide Notification. To the extent permitted by Illinois law (see Paragraph 21.2), Grantee must hold harmless Grantor for any acts or omissions of Grantor resulting from Grantee's failure to notify Grantor as required by Paragraph 15.1.

15.3. Notice of Impact. Grantee must notify Grantor in writing of any event, including, by not limited to, becoming a party to litigation, an investigation, or transaction that may have a material impact on Grantee's ability to perform under this Agreement. Grantee must provide notice to Grantor as soon as possible, but no later than five (5) days after Grantee becomes aware that the event may have a material impact.

15.4. Effect of Failure to Provide Notice. Failure to provide the notice described in this ARTICLE is grounds for termination of this Agreement and any costs incurred after the date notice should have been given may be disallowed.

## ARTICLE XVI STRUCTURAL REORGANIZATION AND RECONSTITUTION OF BOARD MEMBERSHIP

16.1. Effect of Reorganization. This Agreement is made by and between Grantor and Grantee, as Grantee is currently organized and constituted. Grantor does not agree to continue this Agreement, or any license related thereto, should Grantee significantly reorganize or otherwise substantially change the character of its corporate structure, business structure or governance structure. Grantee must give Grantor prior notice of any such action or changes significantly affecting its overall structure or, for non-governmental grantees only, management makeup (for example, a merger or a corporate restructuring), and must provide all reasonable documentation necessary for Grantor to review the proposed transaction including financial records and corporate and shareholder minutes of any corporation which may be involved. Grantor reserves the right to terminate the Agreement based on whether the newly organized entity is able to carry out the requirements of the Award. This ARTICLE does not require Grantee to report on minor changes in the makeup of its board membership or

governance structure, as applicable. Nevertheless, **PART TWO** or **PART THREE** may impose further restrictions. Failure to comply with this ARTICLE constitutes a material breach of this Agreement.

## ARTICLE XVII CONFLICT OF INTEREST

17.1. **Required Disclosures.** Grantee must immediately disclose in writing any potential or actual Conflict of Interest to Grantor. 2 CFR 200.112; 30 ILCS 708/35.

17.2. **Prohibited Payments.** Payments made by Grantor under this Agreement must not be used by Grantee to compensate, directly or indirectly, any person currently holding an elective office in this State including, but not limited to, a seat in the General Assembly. In addition, where Grantee is not an instrumentality of the State of Illinois, as described in this Paragraph, Grantee must request permission from Grantor to compensate, directly or indirectly, any officer or any person employed by an office or agency of the State of Illinois. An instrumentality of the State of Illinois includes, without limitation, State departments, agencies, boards, and State universities. An instrumentality of the State of Illinois does not include, without limitation, units of Local Government and related entities.

17.3. **Request for Exemption.** Grantee may request written approval from Grantor for an exemption from Paragraph 17.2. Grantee acknowledges that Grantor is under no obligation to provide such exemption and that Grantor may grant any such exemption subject to additional terms and conditions as Grantor may require.

## ARTICLE XVIII EQUIPMENT OR PROPERTY

18.1. **Purchase of Equipment.** For any equipment purchased in whole or in part with Grant Funds, if Grantor determines that Grantee has not met the conditions of 2 CFR 200.439, the costs for such equipment will be disallowed. Grantor must notify Grantee in writing that the purchase of equipment is disallowed.

18.2. **Prohibition against Disposition/Encumbrance.** Any equipment, material, or real property that Grantee purchases or improves with Grant Funds must not be sold, transferred, encumbered (other than original financing) or otherwise disposed of during the Award Term without Prior Approval of Grantor unless a longer period is required in **PART TWO** or **PART THREE** and permitted by 2 CFR Part 200 Subpart D. Use or disposition of real property acquired or improved using Grant Funds must comply with the requirements of 2 CFR 200.311. Real property, equipment, and intangible property that are acquired or improved in whole or in part using Grant Funds are subject to the provisions of 2 CFR 200.316. Grantor may require the Grantee to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with this Award and that use and disposition conditions apply to the property.

18.3. **Equipment and Procurement.** Grantee must comply with the uniform standards set forth in 2 CFR 200.310–200.316 governing the management and disposition of property, the cost of which was supported by Grant Funds. Any waiver from such compliance must be granted by either the President's Office of Management and Budget, the Governor's Office of Management and Budget, or both, depending on the source of the Grant Funds used. Additionally, Grantee must comply with the standards set forth in 2 CFR 200.317-200.327 to establish procedures to use Grant Funds for the procurement of supplies and other expendable property, equipment, real property and other services.

18.4. **Equipment Instructions.** Grantee must obtain disposition instructions from Grantor when equipment, purchased in whole or in part with Grant Funds, is no longer needed for their original purpose. Notwithstanding anything to the contrary contained in this Agreement, Grantor may require transfer of any equipment to Grantor or a third party for any reason, including, without limitation, if Grantor terminates the

Award or Grantee no longer conducts Award activities. Grantee must properly maintain, track, use, store and insure the equipment according to applicable best practices, manufacturer's guidelines, federal and state laws or rules, and Grantor requirements stated herein.

18.5. Domestic Preferences for Procurements. In accordance with 2 CFR 200.322, to the greatest extent practicable and consistent with law, Grantee must, under this Award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this Paragraph must be included in all subawards and in all contracts and purchase orders under this Award.

## ARTICLE XIX PROMOTIONAL MATERIALS; PRIOR NOTIFICATION

19.1. Promotional and Written Materials. Use of Grant Funds for promotions is subject to the prohibitions for advertising or public relations costs in 2 CFR 200.421(e). To use Grant Funds in whole or in part to produce any written publications, announcements, reports, flyers, brochures or other written materials, these uses must be allowable under 2 CFR 200.421 and 200.467 and Grantee must include in these publications, announcements, reports, flyers, brochures and all other such material, the phrase "Funding provided in whole or in part by the [Grantor]." 2 CFR 200.467. Exceptions to this requirement must be requested, in writing, from Grantor and will be considered authorized only upon written notice thereof to Grantee.

19.2. Prior Notification/Release of Information. Grantee must notify Grantor ten (10) days prior to issuing public announcements or press releases concerning work performed pursuant to this Agreement, or funded in whole or in part by this Agreement, and must cooperate with Grantor in joint or coordinated releases of information.

## ARTICLE XX INSURANCE

20.1. Maintenance of Insurance. Grantee must maintain in full force and effect during the Term of this Agreement casualty and bodily injury insurance, as well as insurance sufficient to cover the replacement cost of any and all real or personal property (including equipment), or both, purchased or, otherwise acquired, or improved in whole or in part, with funds disbursed pursuant to this Agreement. 2 CFR 200.310. Additional insurance requirements may be detailed in PART TWO or PART THREE.

20.2. Claims. If a claim is submitted for real or personal property, or both, purchased in whole with funds from this Agreement and such claim results in the recovery of money, such money recovered must be surrendered to Grantor.

## ARTICLE XXI LAWSUITS AND INDEMNIFICATION

21.1. Independent Contractor. Neither Grantee nor any employee or agent of Grantee acquires any employment rights with Grantor by virtue of this Agreement. Grantee must provide the agreed services and achieve the specified results free from the direction or control of Grantor as to the means and methods of performance. Grantee must provide its own equipment and supplies necessary to conduct its business; provided, however, that in the event, for its convenience or otherwise, Grantor makes any such equipment or supplies available to Grantee, Grantee's use of such equipment or supplies provided by Grantor pursuant to this Agreement is strictly limited to official Grantor or State of Illinois business and not for any other purpose, including any personal benefit or gain.

21.2. Indemnification and Liability.

(a) Non-governmental entities. This subparagraph applies only if Grantee is a non-governmental entity. Grantee must hold harmless Grantor against any and all liability, loss, damage, cost or expenses, including attorneys' fees, arising from the intentional torts, negligence or breach of contract of Grantee, with the exception of acts performed in conformance with an explicit, written directive of Grantor. Indemnification by Grantor is governed by the State Employee Indemnification Act (5 ILCS 350/.01 et seq.) as interpreted by the Illinois Attorney General. Grantor makes no representation that Grantee, an independent contractor, will qualify or be eligible for indemnification under said Act.

(b) Governmental entities. This subparagraph applies only if Grantee is a governmental unit as designated in Paragraph 3.2. Neither Party shall be liable for actions chargeable to the other Party under this Agreement including, but not limited to, the negligent acts and omissions of the other Party's agents, employees or subcontractors in the performance of their duties as described under this Agreement, unless such liability is imposed by law. This Agreement is not construed as seeking to enlarge or diminish any obligation or duty owed by one Party against the other or against a third party.

**ARTICLE XXII**  
**MISCELLANEOUS**

22.1. Gift Ban. Grantee is prohibited from giving gifts to State employees pursuant to the State Officials and Employees Ethics Act (5 ILCS 430/10-10) and Illinois Executive Order 15-09.

22.2. Assignment Prohibited. This Agreement must not be sold, assigned, or transferred in any manner by Grantee, to include an assignment of Grantee's rights to receive payment hereunder, and any actual or attempted sale, assignment, or transfer by Grantee without the Prior Approval of Grantor in writing renders this Agreement null, void and of no further effect.

22.3. Copies of Agreements upon Request. Grantee must, upon request by Grantor, provide Grantor with copies of contracts or other agreements to which Grantee is a party with any other State agency.

22.4. Amendments. This Agreement may be modified or amended at any time during its Term by mutual consent of the Parties, expressed in writing and signed by the Parties.

22.5. Severability. If any provision of this Agreement is declared invalid, its other provisions will remain in effect.

22.6. No Waiver. The failure of either Party to assert any right or remedy pursuant to this Agreement will not be construed as a waiver of either Party's right to assert such right or remedy at a later time or constitute a course of business upon which either Party may rely for the purpose of denial of such a right or remedy.

22.7. Applicable Law; Claims. This Agreement and all subsequent amendments thereto, if any, are governed and construed in accordance with the laws of the State of Illinois. Any claim against Grantor arising out of this Agreement must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1 *et seq.* Grantor does not waive sovereign immunity by entering into this Agreement.

22.8. Compliance with Law. Grantee is responsible for ensuring that Grantee's Obligations and services hereunder are performed in compliance with all applicable federal and State laws, including, without limitation, federal regulations, State administrative rules, including but not limited to 44 Ill. Admin. Code Part 7000, laws and rules which govern disclosure of confidential records or other information obtained by Grantee concerning persons served under this Agreement, and any license requirements or professional certification provisions.

22.9. Compliance with Freedom of Information Act. Upon request, Grantee must make available to Grantor all documents in its possession that Grantor deems necessary to comply with requests made under the Freedom of Information Act. 5 ILCS 140/7(2).

22.10 Compliance with Whistleblower Protections. Grantee must comply with the Whistleblower Act (740 ILCS 174/1 *et seq.*) and the whistleblower protections set forth in 2 CFR 200.217, including but not limited to, the requirement that Grantee and its subrecipients inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. 4712.

22.11. Precedence.

(a) Except as set forth in subparagraph (b), below, the following rules of precedence are controlling for this Agreement: In the event there is a conflict between this Agreement and any of the exhibits or attachments hereto, this Agreement controls. In the event there is a conflict between PART ONE and PART TWO or PART THREE of this Agreement, PART ONE controls. In the event there is a conflict between PART TWO and PART THREE of this Agreement, PART TWO controls. In the event there is a conflict between this Agreement and relevant statute(s) or rule(s), the relevant statute(s) or rule(s) controls.

(b) Notwithstanding the provisions in subparagraph (a), above, if a relevant federal or state statute(s) or rule(s) requires an exception to this Agreement's provisions, or an exception to a requirement in this Agreement is granted by GATU, such exceptions must be noted in PART TWO or PART THREE, and in such cases, those requirements control.

22.12. Illinois Grant Funds Recovery Act. In the event of a conflict between the Illinois Grant Funds Recovery Act and the Grant Accountability and Transparency Act, the provisions of the Grant Accountability and Transparency Act control. 30 ILCS 708/80.

22.13. Headings. Articles and other headings contained in this Agreement are for reference purposes only and are not intended to define or limit the scope, extent or intent of this Agreement or any provision hereof.

22.14. Counterparts. This Agreement may be executed in one or more counterparts, each of which are considered to be one and the same agreement, binding on all Parties hereto, notwithstanding that all Parties are not signatories to the same counterpart. Duplicated signatures, signatures transmitted via facsimile, or signatures contained in a Portable Document Format (PDF) document are deemed original for all purposes.

22.15. Attorney Fees and Costs. Unless prohibited by law, if Grantor prevails in any proceeding to enforce the terms of this Agreement, including any administrative hearing pursuant to the Grant Funds Recovery Act or the Grant Accountability and Transparency Act, Grantor has the right to recover reasonable attorneys' fees, costs and expenses associated with such proceedings.

22.16. Continuing Responsibilities. The termination or expiration of this Agreement does not affect: (a) the right of Grantor to disallow costs and recover funds based on a later audit or other review; (b) the obligation of the Grantee to return any funds due as a result of later refunds, corrections or other transactions, including, without limitation, final Indirect Cost Rate adjustments and those funds obligated pursuant to ARTICLE XIV; (c) the CYEFR(s); (d) audit requirements established in 44 Ill. Admin. Code 7000.90 and ARTICLE XII; (e) property management and disposition requirements established in 2 CFR 200.310 through 2 CFR 200.316 and ARTICLE XVIII; or (f) records related requirements pursuant to ARTICLE IX. 44 Ill. Admin. Code 7000.440.

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## EXHIBIT A

### PROJECT DESCRIPTION

Grantee must complete the Award Activities described on this **Exhibit A**, the Deliverables and Milestones listed on **Exhibit B** and the Performance Measures listed on **Exhibit D** within the term of this Agreement, as provided in Paragraph 2.1, herein.

**AUTHORITY:** The Grantor is authorized to make this Award pursuant to 20 ILCS 605/605-55 and/or 20 ILCS 605/605-30.

The purpose of this authority is as follows:

To make and enter into contracts, including grants, as authorized pursuant to appropriations by the General Assembly. and/or to use the State and federal programs, grants, and subsidies that are available to assist in the discharge of the provisions of the Civil Administrative Code of Illinois.

### PROJECT DESCRIPTION:

Grant funds will be utilized for all costs, including any that are prior-incurred, associated with the purchase of drones and corresponding permanently affixed ancillary equipment for the Grantee's Police Department's located at 150 West Washington Street in Joliet, and 7196 Caton Farm Road in Plainfield, Currently, the department maintains a team of five drones: four smaller units and one larger unit but has fourteen trained pilots.

The completion of this project will benefit the public by providing a safer vantage point, saving time, and improving situational awareness.

### PROJECT WORK PLAN

The Grantee shall administer the project as outlined in the Grantee's Project Work Plan approved by the Grantor. The Project Work Plan may be modified with Grantor approval throughout the Term of this Agreement. The Project Work Plan, once approved by Grantor, and any modifications thereto, are incorporated fully by reference into this Agreement.

**EXHIBIT B**

**DELIVERABLES OR MILESTONES**

To be stated on the initial submitted Periodic Performance Report (PPR), as directed by the Report Deliverable Schedule, the Grantee will provide a detailed task list of projected deliverables, which must be approved by Grantor. These tasks and associated due dates, and any subsequent revisions, shall be incorporated by reference into this Agreement. These tasks will be used to measure performance throughout the life of the Award and can be updated and reported on each PPR reporting due date.

## EXHIBIT C

## CONTACT INFORMATION

**CONTACTS FOR NOTIFICATION AND GRANT ADMINISTRATION:**

Unless specified elsewhere, all notices required or desired to be sent by either Party must be sent to the persons listed below. Grantee must notify Grantor of any changes in its contact information listed below within five (5) business days from the effective date of the change, and Grantor must notify Grantee of any changes to its contact information as soon as practicable. The Party making a change must send any changes in writing to the contact for the other Party. No amendment to this Agreement is required if information in this Exhibit is changed.

**FOR OFFICIAL GRANT NOTIFICATIONS****GRANTOR CONTACT**      **GRANTEE CONTACT**

Name:	Kristin A. Richards	Name:	Beth Beatty
Title:	Director	Title:	City Manager
Address:	1011 S. 2 <sup>nd</sup> St. Springfield, IL 62704	Address:	150 W JEFFERSON ST Joliet, IL 60432-4148

**GRANTEE PAYMENT ADDRESS**  
(If different than the address above)

Address:      N/A

**FOR GRANT ADMINISTRATION****GRANTOR CONTACT**      **GRANTEE CONTACT**

Name:	Jessica Maddox	Name:	Maria Hernandez Green
Title:	Grant Manager	Title:	Special Projects Coordinator
Address:	1011 S. 2 <sup>nd</sup> St. Springfield, IL 62704	Address:	150 W JEFFERSON ST Joliet, IL 60432-4148
Phone:	217-785-9966	Phone:	815-724-3217
TTY#:	(800) 785-6055	TTY#:	N/A
Email	Jessica.Maddox@Illinois.gov	Email	mgreen@joliet.gov
Address:		Address:	

**GRANTEE DESIGNEES**

The following are designated as Authorized Designee(s) for the Grantee (See **PART TWO**, ARTICLE XXIII):

Authorized Designee: \_\_\_\_\_

Authorized Designee Title: \_\_\_\_\_

Authorized Designee Phone: \_\_\_\_\_

Authorized Designee Email: \_\_\_\_\_

Authorized Designee Signature: \_\_\_\_\_

Authorized Signatory Approval: \_\_\_\_\_

Authorized Designee: \_\_\_\_\_

Authorized Designee Title: \_\_\_\_\_

Authorized Designee Phone: \_\_\_\_\_

Authorized Designee Email: \_\_\_\_\_

Authorized Designee Signature: \_\_\_\_\_

Authorized Signatory Approval: \_\_\_\_\_

**GRANTOR CONTACT FOR AUDIT OR CONSOLIDATED YEAR-END FINANCIAL REPORTS QUESTIONS—AUDIT UNIT**

Email: [CEO.GrantHelp@Illinois.gov](mailto:CEO.GrantHelp@Illinois.gov)

**GRANTOR CONTACT FOR FINANCIAL CLOSEOUT AND REFUNDS—PROGRAM ACCOUNTANT**

Name: Sam Huston  
Email: [samuel.huston@illinois.gov](mailto:samuel.huston@illinois.gov)  
Phone: 000-000-0000  
Fax#: N/A

Address: IDCEO-ACCOUNTING OFFICE  
1011 S 2ND ST  
SPRINGFIELD IL 62704-3004

**EXHIBIT D**

**PERFORMANCE MEASURES AND STANDARDS**

To be stated on the initial submitted Periodic Performance Report (PPR), as directed by the Report Deliverable Schedule, the Grantee will incorporate project specific performance measures within the corresponding section of the PPR. The project specific performance measures will encompass the following standardized performance measures listed below.

- Did the deliverables specified in the task list submitted pursuant to Exhibit B lead to the completion of the project described in Exhibit A?
- Given the total amount of Grant Funds available, does the percent currently drawn and expended directly correlate to the percent of the completion of the project to date?
- At the time of Award closeout, has the Grantee fulfilled the public purpose of the project stated in Exhibit A?

The Grantor reserves the right to deny any voucher request(s) at its discretion, based on lack of progress toward meeting completion goals. If the Grantee fails to meet any of the performance measures/goals, and if deemed appropriate at the discretion of the Grantor, the Grant Funds may be decreased by an amount proportionate to the size of the shortfall, and/or the Grantee may be responsible for the return of the Grant Funds in the amount specified by the Grantor. Grantor may initiate a grant modification(s) to de-obligate Grant Funds based on non-performance. The Grantee will submit grant modification requests as necessary in a timely manner, including a request to de-obligate Grant Funds in an amount that the Grantee determines will be unspent by the end of the Grant Agreement Term.

**EXHIBIT E**

**SPECIFIC CONDITIONS**

Grantor may remove (or reduce) a Specific Condition included in this Exhibit by providing written notice to the Grantee, in accordance with established procedures for removing a Specific Condition.

The result of the Grantee's Internal Control Questionnaire indicated that the Grantee must complete the following specific conditions pursuant to 2 C.F.R. Section 200.208:

ICQ Section:	03 - Financial and Programmatic Reporting
Conditions:	Requires development of a plan to correct deficiencies identified in the risk assessment.
Risk Explanation:	The state agency may request to review documentation of the plan at its discretion.
How to Fix:	Medium to high risk increases the likelihood that grant revenues and expenditures will be inaccurate that could result in misreporting, and an abusive environment.
Timeframe:	Grantee must submit documentation of implementation of new or enhanced accounting system, mitigating controls or a combination of both.
	One year.

**Programmatic Risk Assessment (PRA)**

<b>1. PRA Section:</b>	<b>Financial Stability:</b>
1a. Conditions:	Requires more detailed and more frequent programmatic reporting;
2. Reason Imposed:	Medium or High Risk increases likelihood of non-compliance.
3. Action Needed to Remove:	Entity must demonstrate ability to comply with requirements.
4. Timeframe:	Agency re-examines annually.
5. Method for reconsideration:	Written Request.

## PART TWO – GRANTOR-SPECIFIC TERMS

In addition to the uniform requirements in **PART ONE**, Grantor has the following additional requirements for its Grantee:

### ARTICLE XXIII AUTHORIZED SIGNATORY

23.1. **Authorized Signatory.** In processing this Award and related documentation, Grantor will only accept materials signed by the Authorized Signatory or Designee of this Agreement, as designated or prescribed in the Grantee's signature block or on **Exhibit C**. If the Authorized Signatory chooses to assign a designee to sign or submit materials required by this Agreement to Grantor, the Authorized Signatory must either send written notice to Grantor indicating the name of the designee, or provide notice as set forth in **Exhibit C**. Without this notice, Grantor will reject any materials signed or submitted on the Grantee's behalf by anyone other than the Authorized Signatory. The Authorized Signatory must approve each Authorized Designee separately by signing as indicated on **Exhibit C** or on the appropriate form provided by Grantor. If an Authorized Designee(s) appears on **Exhibit C**, the Grantee should verify the information and indicate any changes as necessary. Signatures of both the Authorized Signatory and the Authorized Designee are required in order for the Authorized Designee to have signature authority under this Agreement.

### ARTICLE XXIV ADDITIONAL AUDIT PROVISIONS

24.1. **Discretionary Audit.** The Grantor may, at any time and in its sole discretion, require a program-specific audit, or other audit, SAS 115/AU-C265 letters (Auditor's Communication of Internal Control Related Matters) and SAS 114/AU-C260 letters (Auditor's Communication With Those Charged With Governance).

### ARTICLE XXV ADDITIONAL MONITORING PROVISIONS

25.1. **Cooperation with Audits and Inquiries, Confidentiality.** Pursuant to ARTICLE IX, above, the Grantee is obligated to cooperate with the Grantor and other legal authorities in any audit or inquiry related to the Award. The Grantor or any other governmental authority conducting an audit or inquiry may require the Grantee to keep confidential any audit or inquiry and to limit internal disclosure of the audit or inquiry to those Grantee personnel who are necessary to support the Grantee's response to the audit or inquiry. This confidentiality requirement does not limit Grantee's right to discuss an audit or inquiry with its legal counsel. If a third party seeks to require the Grantee, pursuant to any law, regulation, or legal process, to disclose an audit or inquiry that has been deemed confidential by the Grantor or other governmental authority, the Grantee must promptly notify the entity that is conducting the audit or inquiry of such effort so that the entity that is conducting the audit or inquiry may seek a protective order, take other appropriate action, or waive compliance by the Grantee with the confidentiality requirement.

### ARTICLE XXVI ADDITIONAL INTEREST PROVISIONS

26.1. **Interest Earned on Grant Funds.** Interest earned on Grant Funds in an amount up to \$500 per year may be retained by the Grantee for administrative expenses unless otherwise provided in **PART THREE**. Any additional interest earned on Grant Funds above \$500 per year must be returned to the Grantor pursuant to Paragraphs 4.3 and 29.2 herein, or as otherwise instructed by the Grant Manager or as set forth in **PART THREE**. All interest earned must be expended prior to Grant Funds. Any unspent Grant Funds or earned interest unspent must be returned as Grant Funds to the Grantor as described in Paragraphs 4.3 and 29.2 herein. All interest earned on Grant Funds must be accounted for and reported to the Grantor as provided in ARTICLE X herein. If applicable, the Grantor will remit interest earned and returned by Grantee to the U.S. Department of Health and Human Services

Payment Management System through the process set forth at 2 CFR 200.305(b)(12), or as otherwise directed by the federal awarding agency. The provisions of this Paragraph are inapplicable to the extent any statute, rule or program requirement provides for different treatment of interest income. Any provision that deviates from this paragraph is set forth in **PART THREE**.

**ARTICLE XXVII**  
**ADDITIONAL BUDGET PROVISIONS**

27.1. **Restrictions on Line Item Transfers.** Unless set forth otherwise in **PART THREE** herein, Budget line item transfers within the guidelines set forth in paragraph 6.2 herein, which would not ordinarily require approval from Grantor, but result in an increase of ten percent (10%) or more to any expenditure category of the current approved Budget, are considered changes in the project scope and require Prior Approval from Grantor pursuant to 44 Ill. Admin. Code 7000.370(b).

**ARTICLE XXVIII**  
**ADDITIONAL REPRESENTATIONS AND WARRANTIES**

28.1. **Grantee Representations and Warranties.** In connection with the execution and delivery of this Agreement, the Grantee makes the following representations and warranties to Grantor:

(a) That it has no public or private interest, direct or indirect, and will not acquire, directly or indirectly any such interest which does or may conflict in any manner with the performance of the Grantee's services and obligations under this Agreement;

(b) That no member of any governing body or any officer, agent or employee of the State, has a personal financial or economic interest directly in this Agreement, or any compensation to be paid hereunder except as may be permitted by applicable statute, regulation or ordinance;

(c) That there is no action, suit or proceeding at law or in equity pending, nor to the best of Grantee's knowledge, threatened, against or affecting the Grantee, before any court or before any governmental or administrative agency, which will have a material adverse effect on the performance required by this Agreement;

(d) That to the best of the Grantee's knowledge and belief, the Grantee, its principals and key project personnel:

(i) Are not presently declared ineligible or voluntarily excluded from contracting with any federal or State department or agency;

(ii) Have not, within a three (3)-year period preceding this Agreement, been convicted of any felony; been convicted of a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; had a civil judgment rendered against them for commission of fraud; been found in violation of federal or state antitrust statutes; or been convicted of embezzlement, theft, larceny, forgery, bribery, falsification or destruction of records, making a false statement, or receiving stolen property;

(iii) Are not presently indicted for, or otherwise criminally or civilly charged, by a government entity (federal, state or local) with commission of any of the offenses enumerated in subparagraph (ii) of this certification; and

(iv) Have not had, within a three (3)-year period preceding this Agreement, any judgment rendered in an administrative, civil or criminal matter against the Grantee, or any entity

associated with its principals or key personnel, related to a grant issued by any federal or state agency or a local government.

Any request for an exception to the provisions of this subparagraph (d) must be made in writing, listing the name of the individual, home address, type of conviction and date of conviction; and

(e) Grantee certifies that it is not currently operating under, or subject to, any cease and desist order, or subject to any informal or formal regulatory action, and, to the best of Grantee's knowledge, that it is not currently the subject of any investigation by any state or federal regulatory, law enforcement or legal authority. Should it become the subject of an investigation by any state or federal regulatory, law enforcement or legal authority, Grantee shall promptly notify Grantor of any such investigation. Grantee acknowledges that should it later be subject to a cease and desist order, Memorandum of Understanding, or found in violation pursuant to any regulatory action or any court action or proceeding before any administrative agency, that Grantor is authorized to declare Grantee out of compliance with this Agreement and suspend or terminate the Agreement pursuant to ARTICLE XIII herein and any applicable rules.

#### **ARTICLE XXIX ADDITIONAL TERMINATION, SUSPENSION, BILLING SCHEDULE AND NON-COMPLIANCE PROVISIONS**

29.1. Remedies for Non-Compliance. If Grantor suspends or terminates this Agreement pursuant to ARTICLE XIII herein, Grantor may also elect any additional remedy allowed by law, including, but not limited to, one or more of the following remedies:

(a) Direct the Grantee to refund some or all of the Grant Funds disbursed to it under this Agreement; and

(b) Direct the Grantee to remit an amount equivalent to the "Net Salvage Value" of all equipment or materials purchased with Grant Funds provided under this Agreement. For purposes of this Agreement, "Net Salvage Value" is defined as the amount realized, or that the Parties agree is likely to be realized from, the sale of equipment or materials purchased with Grant Funds provided under this Agreement at its current fair market value, less selling expenses.

29.2. Grant Refunds. In accordance with the Illinois Grant Funds Recovery Act, 30 ILCS 705/1 *et seq.*, the Grantee must, within forty-five (45) days of the effective date of a termination of this Agreement, refund to Grantor, any balance of Grant Funds not spent or not obligated as of that date.

29.3. Grant Funds Recovery Procedures. In the event that Grantor seeks to recover from Grantee Grant Funds received pursuant to this Award that: (i) Grantee cannot demonstrate were properly spent, or (ii) have not been expended or legally obligated by the time of expiration or termination of this Award, the Parties agree to follow the procedures set forth in the Illinois Grant Funds Recovery Act, 30 ILCS 705/1 *et seq.* (GFRA), for the recovery of Grant Funds, including the informal and formal hearing requirements. All remedies available in Section 6 of the GFRA will apply to these proceedings. The Parties agree that Grantor's Administrative Hearing Rules (56 Ill. Admin. Code Part 2605) and/or any other applicable hearing rules shall govern these proceedings.

29.4. Grantee Responsibility. Grantee will be held responsible for the expenditure of all Grant Funds received through this Award, whether expended by Grantee or a subrecipient or contractor of Grantee. Grantor may seek any remedies against Grantee permitted pursuant to this Agreement and 2 CFR 200.339 for the action of a subrecipient or contractor of Grantee that is not in compliance with the applicable statutes, regulations or the terms and conditions of this Award.

29.5. Billing Schedule. In accordance with paragraph 4.8, herein Grantee must submit all payment requests to Grantor within thirty (30) days of the end of the quarter, unless another billing schedule is specified in **PART THREE** or Paragraph 2.3. Failure to submit such payment request timely will render the amounts billed an

unallowable cost which Grantor cannot reimburse. In the event that Grantee is unable, for good cause, to submit its payment request timely, Grantee must timely notify Grantor and may request an extension of time to submit the payment request. Grantor's approval of Grantee's request for an extension cannot be unreasonably withheld. The payment requirements of this Paragraph supersede those set forth in Paragraph 4.8.

### **ARTICLE XXX** **ADDITIONAL MODIFICATION PROVISIONS**

**30.1. Modifications by Operation of Law.** This Agreement is subject to such modifications as the Grantor determines, in its sole discretion, may be required by changes in federal or State law or regulations applicable to this Agreement. Grantor will initiate such modifications, and Grantee will be required to agree to the modification in writing as a condition of continuing the Award. Any such required modification will be incorporated into and become part of this Agreement as if fully set forth herein. The Grantor will timely notify the Grantee of any pending implementation of or proposed amendment to any laws or regulations of which it has notice.

**30.2. Discretionary Modifications.** If either the Grantor or the Grantee wishes to modify the terms of this Agreement other than as set forth in ARTICLES V and VI and Paragraphs 30.1 and 30.3, written notice of the proposed modification must be given to the other Party. Modifications will only take effect when agreed to in writing by both the Grantor and the Grantee. However, if the Grantor notifies the Grantee in writing of a proposed modification, and the Grantee fails to respond to that notification, in writing, within thirty (30) days, the Grantor may commence a process to suspend or terminate this Award. In making an objection to the proposed modification, the Grantee must specify the reasons for the objection and the Grantor will consider those objections when evaluating whether to follow through with the proposed modification. The Grantor's notice to the Grantee must contain the Grantee name, Agreement number, Amendment number and purpose of the revision. If the Grantee seeks any modification to the Agreement, the Grantee must submit a detailed narrative explaining why the Project cannot be completed in accordance with the terms of the Agreement and how the requested modification will ensure completion of the Grant Activities, Deliverables, Milestones and/or Performance Measures (**Exhibits A, B and D**).

**30.3. Unilateral Modifications.** The Parties agree that Grantor may, in its sole discretion, unilaterally modify this Agreement without prior approval of the Grantee when the modification is initiated by Grantor for the sole purpose of increasing the Grantee's funding allocation as additional funds become available for the Award during the program year covered by the Term of this Agreement.

**30.4. Management Waiver.** The Parties agree that the Grantor may issue a waiver of specific requirements of this Agreement after the term of the Agreement has expired. These waivers are limited to non-material changes to specific provisions that the Grantor determines are necessary to place the Grantee in administrative compliance with the requirements of this Agreement. A management waiver issued after the Term of the Agreement has expired will supersede the original requirements of this Agreement that would normally require a modification of this Agreement to be executed. The Grantor will make no modifications of this Agreement not agreed to prior to the expiration of the Agreement beyond what is specifically set forth in this Paragraph.

**30.5. Term Extensions.** The Grantee acknowledges that all Grant Funds must be expended or legally obligated, and all Grant Activities, Deliverables, Milestones and Performance Measures (**Exhibits A, B and D**) must be completed during the Term of the Agreement. Extensions of the Term will be granted only for good cause, subject to the Grantor's discretion. Pursuant to the Grant Funds Recovery Act (30 ILCS 705/1 *et seq.*), no Award may be extended in total beyond a two (2)-year period unless the Grant Funds are expended or legally obligated during that initial two-year period, or unless Grant Funds are disbursed for reimbursement of costs previously incurred by the Grantee. If Grantee requires an extension of the Award Term, Grantee should submit a written request to the Grant Manager at least sixty (60) days prior to the end of the Award Term or extended Award Term, as applicable, stating the reason for the extension. If Grantee provides reasonable extenuating circumstances, Grantee may request an extension of the Award Term with less than sixty (60) days remaining.

**ARTICLE XXXI**  
**ADDITIONAL CONFLICT OF INTEREST PROVISIONS**

31.1. Bonus or Commission Prohibited. The Grantee shall not pay any bonus or commission for the purpose of obtaining the Grant Funds awarded under this Agreement.

**ARTICLE XXXII**  
**ADDITIONAL EQUIPMENT OR PROPERTY PROVISIONS**

32.1. Equipment Management. The Grantee is responsible for replacing or repairing equipment and materials purchased with Grant Funds that are lost, stolen, damaged, or destroyed. Any loss, damage or theft of equipment and materials must be investigated and fully documented, and immediately reported to the Grantor and, where appropriate, the appropriate law enforcement authorities.

32.2. Purchase of Real Property. If permitted by the Award Budget and scope of activities provided in this Agreement, a Grantee may use the Grant Funds during the Award Term for the costs associated with the purchase of real property (as defined by 2 CFR 200.1) either through the use of reimbursement or advanced funds as permitted in Paragraph 2.3 of this Agreement for the following purposes and consistent with the Grantor's bondability guidelines and 2 CFR 200:

- (a) Cash payment of the entirety or a portion of the real property acquisition;
- (b) Cash Payment of a down payment for the acquisition;
- (c) Standard and commercially reasonable costs required to be paid at the acquisition closing (*i.e.*, closing costs); or
- (d) Payments to reduce the debt incurred by Grantee to purchase the real property.

32.3. Bonding Requirements. If Grant Funds through this Award are used for construction or facility improvement projects that exceed the Simplified Acquisition Threshold, the Grantee must comply with the minimum bonding requirements listed in 2 CFR 200.326(a) – (c). Grantor will not accept the Grantee's own bonding policy and requirements.

32.4. Lien Requirements. Grantor may direct Grantee in writing to record a lien or notice of State or federal interest on the property purchased or improved with Grant Funds. 2 CFR 200.316. If Grantor makes this direction and the Grantee does not comply, the Grantor may: (a) record the lien or notice of State or federal interest and reduce the amount of the Grant Funds by the cost of recording the lien or notice of State or federal interest, or (b) suspend this Award until Grantee complies with Grantor's direction.

**ARTICLE XXXIII**  
**APPLICABLE STATUTES**

To the extent applicable, Grantor and Grantee shall comply with the following:

33.1. Land Trust Beneficial Interest Disclosure Act (765 ILCS 405/2.1). No Grant Funds will be paid to any trustee of a land trust, or any beneficiary or beneficiaries of a land trust, for any purpose relating to the land, which is the subject of such trust, any interest in such land, improvements to such land or use of such land unless an affidavit is first filed with the Grantor identifying each beneficiary of the land trust by name and address and defining such interest therein. This affidavit must be filed with the Illinois Office of the Comptroller as an attachment to this Agreement.

33.2. Historic Preservation Act (20 ILCS 3420/1 *et seq.*). The Grantee will not expend Grant Funds under this Agreement which result in the destruction, alteration, renovation, transfer or sale, or utilization of a historic property, structure or structures, or in the introduction of visual, audible or atmospheric elements to a historic property, structure or structures, which will result in the change in the character or use of any historic property, except as approved by the Illinois Department of Natural Resources, Historic Preservation Division. The Grantee must not expend Grant Funds under this Agreement for any project, activity, or program that can result in changes in the character or use of historic property, if any historic property is located in the area of potential effects without the approval of the Illinois Department of Natural Resources, Historic Preservation Division. 20 ILCS 3420/3(f).

33.3. Victims' Economic Security and Safety Act (820 ILCS 180 *et seq.*). If the Grantee has one (1) or more employees, it may not discharge or discriminate against an employee who is a victim of domestic or sexual violence, or who has a family or household member who is a victim of domestic or sexual violence, for taking up to the allowable amount of leave from work to address the domestic violence, pursuant to the Victims' Economic Security and Safety Act. 820 ILCS 180/20(a)(2). The Grantee is not required to provide paid leave under the Victims' Economic Security and Safety Act, but may not suspend group health plan benefits during the leave period. Any failure on behalf of the Grantee to comply with all applicable provisions of the Victims' Economic Security and Safety Act, or applicable rules and regulations promulgated thereunder, may result in a determination that the Grantee is ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and this Agreement may be cancelled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked, as provided by statute or regulation.

33.4. Equal Pay Act of 2003 (820 ILCS 112 *et seq.*). If the Grantee has one (1) or more employees, it is prohibited by the Equal Pay Act of 2003 from: (a) discriminating between employees by paying unequal wages on the basis of sex for doing the same or substantially similar work; (b) discriminating between employees by paying wages to an African-American employee at a rate less than the rate at which the Grantee pays wages to another employee who is not African-American for the same or substantially similar work; (c) remedying violations of the Equal Pay Act of 2003 by reducing the wages of other employees or discriminating against any employee exercising their rights under the Equal Pay Act of 2003; and (d) screening job applicants based on their current or prior wages or salary histories, or requesting or requiring a wage or salary history from an individual as a condition of employment or consideration for employment. Any failure on behalf of the Grantee to comply with all applicable provisions of the Equal Pay Act of 2003, or applicable rules and regulations promulgated thereunder, may result in a determination that the Grantee is ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and this Agreement may be cancelled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked, as provided by statute or regulation.

33.5. Steel Products Procurement Act (30 ILCS 565/1 *et seq.*). The Grantee, if applicable, hereby certifies that any steel products used or supplied in accordance with this Award for a public works project shall be manufactured or produced in the United States per the requirements of the Steel Products Procurement Act (30 ILCS 565/1 *et seq.*).

33.6. Business Enterprise for Minorities, Women, and Persons with Disabilities Act and Illinois Human Rights Act (30 ILCS 575/0.01; 775 ILCS 5/2-105). The Grantee acknowledges and hereby certifies compliance with the provisions of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, and the equal employment practices of Section 2-105 of the Illinois Human Rights Act for the provision of services which are directly related to the Award activities to be performed under this Agreement.

33.7. Identity Protection Act (5 ILCS 179/1 *et seq.*) and Personal Information Protection Act (815 ILCS 530/1 *et seq.*). The Grantor is committed to protecting the privacy of its vendors, grantees and beneficiaries of programs and services. At times, the Grantor will request social security numbers or other personal identifying information. Federal and state laws, rules and regulations require the collection of this information for certain purposes relating to employment and/or payments for goods and services, including, but not limited to, Awards. The Grantor also collects confidential information for oversight and monitoring purposes.

Furnishing personal identity information, such as a social security number, is voluntary; however, failure to provide required personal identity information may prevent an individual or organization from using the services/benefits provided by the Grantor as a result of state or federal laws, rules and regulations.

To the extent the Grantee collects or maintains protected personal information as part of carrying out the Award activities, the Grantee must maintain the confidentiality of the protected personal information in accordance with applicable law and as set forth below.

(a) **Personal Information Defined.** As used herein, "Personal Information" shall have the definition set forth in the Personal Information Protection Act, 815 ILCS 530/5 ("PIPA").

(b) **Protection of Personal Information.** The Grantee must use at least reasonable care to protect the confidentiality of Personal Information that is collected or maintained as part of the Award activities and (i) not use any Personal Information for any purpose outside the scope of the Award activities and (ii) except as otherwise authorized by the Grantor in writing, limit access to Personal Information to those of its employees, contractors, and agents who need such access for purposes consistent with the Award Activities. If Grantee provides any contractor or agent with access to Personal Information, it must require the contractor or agent to comply with the provisions of this Paragraph.

(c) **Security Assurances.** Grantee represents and warrants that it has established and will maintain safeguards against the loss and unauthorized access, acquisition, destruction, use, modification, or disclosure of Personal Information and shall otherwise maintain the integrity of Personal Information in its possession in accordance with any federal or state law privacy requirements, including PIPA. These safeguards must be reasonably designed to (i) ensure the security and confidentiality of the Personal Information, (ii) protect against any anticipated threats or hazards to the security or integrity of Personal Information, and (iii) protect against unauthorized access to or use of Personal Information. Additionally, Grantee will have in place policies, which provide for the secure disposal of documents and information which contain Personal Information, including but not limited to shredding documents and establishing internal controls over the authorized access to such information. 815 ILCS 530/40.

(d) **Breach Response.** In the event of any unauthorized access to, unauthorized disclosure of, loss of, damage to or inability to account for any Personal Information (a "Breach"), Grantee agrees that it will promptly, at its own expense: (i) report such Breach to the Grantor by telephone with immediate written confirmation sent by e-mail, describing in detail any accessed materials and identifying any individual(s) who may have been involved in such Breach; (ii) take all actions necessary or reasonably requested by the Grantor to stop, limit or minimize the Breach; (iii) restore and/or retrieve, as applicable, and return all Personal Information that was lost, damaged, accessed, copied or removed; (iv) cooperate in all reasonable respects to minimize the damage resulting from such Breach; (v) provide any notice to Illinois residents as required by 815 ILCS 530/10, 815 ILCS 530/12 or applicable federal law, in consultation with the Grantor; and (vi) cooperate in the preparation of any report related to the Breach that the Grantor may need to present to any governmental body.

(e) **Injunctive Relief.** Grantee acknowledges that, in the event of a breach of this Paragraph, Grantor will likely suffer irreparable damage that cannot be fully remedied by monetary damages. Accordingly, in addition to any remedy which the Grantor may possess pursuant to applicable law, the Grantor retains the right to seek and obtain injunctive relief against any such breach in any Illinois court of competent jurisdiction.

(f) **Compelled Access or Disclosure.** The Grantee may disclose Personal Information if it is compelled by law, regulation, or legal process to do so, provided the Grantee gives the Grantor at least ten (10) days' prior notice of such compelled access or disclosure (to the extent legally permitted) and reasonable assistance if the Grantor wishes to contest the access or disclosure.

**ARTICLE XXXIV**  
**ADDITIONAL MISCELLANEOUS PROVISIONS**

34.1. Workers' Compensation Insurance, Social Security, Retirement and Health Insurance Benefits, and Taxes. The Grantee must provide Workers' Compensation insurance where the same is required and accepts full responsibility for the payment of unemployment insurance, premiums for Workers' Compensation, Social Security and retirement and health insurance benefits, as well as all income tax deduction and any other taxes or payroll deductions required by law for its employees who are performing services specified by this Agreement.

34.2. Required Notice. Grantee agrees to give prompt notice to the Grantor of any event that may materially affect the performance required under this Agreement. Any notice or final decision by Grantor relating to (a) a Termination or Suspension (ARTICLE XIII), (b) Modifications, Management Waivers or Term Extensions (ARTICLE XXX) or (c) Assignments (Paragraph 22.2) must be executed by the Director of the Grantor or her or his authorized designee.

**ARTICLE XXXV**  
**ADDITIONAL REQUIRED CERTIFICATIONS**

The Grantee makes the following certifications as a condition of this Agreement. These certifications are required by State statute and are in addition to any certifications required by any federal funding source as set forth in this Agreement. Grantee's execution of this Agreement shall serve as its attestation that the certifications made herein are true and correct.

35.1. Sexual Harassment. The Grantee certifies that it has written sexual harassment policies that must include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the Grantee's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and the Human Rights Commission; (vi) directions on how to contact the Department of Human Rights and the Human Rights Commission; and (vii) protection against retaliation as provided by Sections 6-101 and 6-101.5 of the Illinois Human Rights Act. 775 ILCS 5/2-105(A)(4). A copy of the policies must be provided to the Grantor upon request.

35.2. Federal, State and Local Laws; Tax Liabilities; State Agency Delinquencies. The Grantee is required to comply with all federal, state and local laws, including but not limited to the filing of any and all applicable tax returns. If Grantee is delinquent in filing and/or paying any federal, state and/or local taxes, the Grantor will disburse Grant Funds only if the Grantee enters into an installment payment agreement with the applicable tax authority and remains in good standing with that authority. Grantee is required to tender a copy of all relevant installment payment agreements to the Grantor. In no event may Grantee utilize Grant Funds to discharge outstanding tax liabilities or other debts owed to any governmental unit. **The execution of this Agreement by the Grantee is its certification that: (i) it is current as to the filing and payment of any federal, state and/or local taxes applicable to Grantee; and (ii) it is not delinquent in its payment of moneys owed to any federal, state, or local unit of government.**

35.3. Lien Waivers. If applicable, the Grantee must monitor construction to assure that necessary contractors' affidavits and waivers of mechanics liens are obtained prior to release of Grant Funds to contractors and subcontractors.

35.4. Grant for the Construction of Fixed Works. Grantee certifies that all Projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement will be subject to the Prevailing Wage Act (820 ILCS 130/0.01 *et seq.*) unless the provisions of that Act exempt its application. In the

construction of the Projects, Grantee must comply with the requirements of the Prevailing Wage Act including, but not limited to: (a) paying the prevailing rate of wages required by the Illinois Department of Labor, or a court on review, to all laborers, workers and mechanics performing work with Grant Funds provided through this Agreement, (b) inserting into all contracts for such construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the Project must be paid to all laborers, workers, and mechanics performing work under this Award; and (c) requiring all bonds of contractors to include a provision as will guarantee the faithful performance of the prevailing wage clause as provided by contract.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.**

### PART THREE – PROJECT-SPECIFIC TERMS

In addition to the uniform requirements in **PART ONE** and Grantor-Specific Terms in **PART TWO**, Grantor has the following additional requirements for this Project:

#### ARTICLE XXXVI REPORT DELIVERABLE SCHEDULE

36.1. External Audit Reports. External Audit Reports may be required. Refer to ARTICLE XII of this Agreement to determine whether you are required to submit an External Audit Report and the applicable due date.

36.2. Annual Financial Reports. Annual Financial Reports may be required. Refer to Paragraph 12.2 of this Agreement to determine whether you are required to submit Annual Financial Reports.

36.3. Required Periodic Reports. Below is the required periodic reporting schedule for this Award.

#### April 2026

- Quarterly Periodic Financial Report (04/30/2026) - Covering Period of 01/01/2026 - 03/31/2026; Send To: Grant Manager
- Quarterly Periodic Performance Report (04/30/2026) - Covering Period of 01/01/2026 - 03/31/2026; Send To: Grant Manager

#### July 2026

- Quarterly Periodic Financial Report (07/30/2026) - Covering Period of 04/01/2026 - 06/30/2026; Send To: Grant Manager
- Quarterly Periodic Performance Report (07/30/2026) - Covering Period of 04/01/2026 - 06/30/2026; Send To: Grant Manager

#### October 2026

- Quarterly Periodic Financial Report (10/30/2026) - Covering Period of 07/01/2026 - 09/30/2026; Send To: Grant Manager
- Quarterly Periodic Performance Report (10/30/2026) - Covering Period of 07/01/2026 - 09/30/2026; Send To: Grant Manager

#### February 2027

- Quarterly Periodic Financial Report (02/01/2027) - Covering Period of 10/01/2026 - 12/31/2026; Send To: Grant Manager
- Quarterly Periodic Performance Report (02/01/2027) - Covering Period of 10/01/2026 - 12/31/2026; Send To: Grant Manager

#### April 2027

- Quarterly Periodic Financial Report (04/30/2027) - Covering Period of 01/01/2027 - 03/31/2027; Send To: Grant Manager
- Quarterly Periodic Performance Report (04/30/2027) - Covering Period of 01/01/2027 - 03/31/2027; Send To: Grant Manager

#### July 2027

- Quarterly Periodic Financial Report (07/30/2027) - Covering Period of 04/01/2027 - 06/30/2027; Send To: Grant Manager
- Quarterly Periodic Performance Report (07/30/2027) - Covering Period of 04/01/2027 - 06/30/2027; Send To: Grant Manager

**November 2027**

- Quarterly Periodic Financial Report (11/01/2027) - Covering Period of 07/01/2027 - 09/30/2027; Send To: Grant Manager
- Quarterly Periodic Performance Report (11/01/2027) - Covering Period of 07/01/2027 - 09/30/2027; Send To: Grant Manager

**January 2028**

- Quarterly Periodic Financial Report (01/31/2028) - Covering Period of 10/01/2027 - 12/31/2027; Send To: Grant Manager
- Quarterly Periodic Performance Report (01/31/2028) - Covering Period of 10/01/2027 - 12/31/2027; Send To: Grant Manager

**February 2028**

- End of grant Closeout Financial Report (02/14/2028) - Covering Period of 01/01/2026 - 12/31/2027; Send To: Grant Manager
- End of grant Closeout Performance Report (02/14/2028) - Covering Period of 01/01/2026 - 12/31/2027; Send To: Grant Manager

36.4. Changes to Reporting Schedule. Changes to the schedules for periodic reporting, the external audit reports and the annual financial reports do not require a formal modification to this Agreement pursuant to Paragraph 22.4 and ARTICLE XXX, and may be changed unilaterally by the Grantor if necessitated by a change in the project schedule or at the discretion of the Grantor. The Grantee may not modify the reporting deliverable schedules in ARTICLES X, XI, XII and XXXVI unilaterally, and must obtain prior written approval from Grantor or the Grant Accountability and Transparency Unit of the Governor's Office of Management and Budget, if applicable, to change any reporting deadlines.

**ARTICLE XXXVII**  
**GRANT-SPECIFIC TERMS/CONDITIONS**

37.1. Funding. If this Award is bond-funded, all expenditures shall be in accordance with all applicable bondability guidelines.

37.2. Use of Real Property. Grantee shall use any real property acquired, constructed or improved with Grant Funds pursuant to this Agreement to provide the programs and services specified herein for at least the Award Term stated in Paragraph 2.1. Grantee shall comply with the real property use and disposition requirements set forth in 2 CFR 200.311.

37.3. Projects Requiring External Sign-offs.

- (1) Pursuant to applicable statute(s), this Award requires sign-off by the following State agency(ies). **The status of the sign-off is indicated as of the date the Award is sent to the Grantee for execution:**

AGENCY	SIGN-OFF RECEIVED	SIGN-OFF OUTSTANDING
Illinois State Historic Preservation Office	_____	_____
Illinois Dept. of Agriculture	_____	_____
Illinois Dept. of Natural Resources	_____	_____
Illinois Environmental Protection Agency	_____	_____
<b>X</b> NONE APPLICABLE		

While **any** external sign-off is outstanding, the provisions of Item (3), immediately below apply with respect to the disbursement of funds under this Award.

**NOTE: The fact that a sign-off has been received in no way relieves the Grantee of its obligation to comply with any conditions or requirements conveyed by the applicable agency(ies) in conjunction with the issuance of the sign-off for the project funded under this Agreement.**

**(2)** For projects subject to review by the Illinois Environmental Protection Agency (IEPA), the Grantee must, prior to construction, obtain a construction permit or "authorization to construct" from the IEPA pursuant to the provisions of the Environmental Protection Act, 415 ILCS 5/1 *et seq.*

**(3) External Sign-Off Provisions:**

- a.)** The Project described in Exhibit A and funded under this Agreement is subject to review by the external agency(ies) indicated in Item (1) immediately above. Grantee must comply with requirements established by said agency(ies) relative to their respective reviews. **Any requirements communicated to the Grantor shall be incorporated into this Agreement as follows: as an attachment to this Agreement (immediately following PART THREE) at the time of the Agreement execution.** The Grantee is contractually obligated to comply with such requirements.
- b.)** Grantee is responsible for coordinating directly with the applicable external agency(ies) relative to said reviews. Except as specifically provided below, the Grantor's obligation to disburse funds under this Agreement is contingent upon notification by the applicable agency(ies) that all requirements applicable to the project described in this Agreement have been satisfied. Upon receipt of said notification, disbursement of the Grant Funds shall be authorized in accordance with the provisions of Paragraph 2.3 herein.
- c.)** Prior to notification of compliance by the applicable external agency(ies), the Grantee may request disbursement of funds **only** for the following purposes: administrative, contractual, legal, engineering, or architectural costs incurred which are necessary to allow for compliance by the Grantee of requirements established by the external agency(ies). **FUNDS WILL NOT BE DISBURSED FOR LAND ACQUISITION OR ANY TYPE OF CONSTRUCTION OR OTHER ACTIVITY WHICH PHYSICALLY IMPACTS THE PROJECT SITE PRIOR TO RECEIPT BY THE GRANTOR OF THE REQUIRED NOTIFICATION FROM ALL APPLICABLE AGENCIES.**
- d.)** If external sign-offs are indicated in this paragraph 37.3, disbursement of Grant Funds (whether advance or scheduled) are subject to the restrictions set forth by the External Sign-Off Provisions of this paragraph 37.3. Upon receipt of all required sign-offs, the Grantor's Accounting Division will be notified of authorization to disburse Grant Funds in accordance with the disbursement method indicated herein.

**37.4. Prevailing Wage Act Compliance.** The work to be performed under this Agreement is subject to the Prevailing Wage Act (820 ILCS 130/0.01 *et seq.*). Grantee shall comply with all requirements of the Prevailing

Wage Act, including but not limited to: (a) inserting into all contracts for construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the project shall be paid to all laborers, workers, and mechanics performing work under the Award and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract and (b) all required reporting and documentation.

37.5. Compliance with Illinois Works Jobs Program Act. Grantee must comply with requirements in the Illinois Works Jobs Program Act (30 ILCS 559/Art. 20). For Awards with an estimated total project cost of \$500,000 or more, the Grantee will be required to comply with the Illinois Works Apprenticeship Initiative (30 ILCS 559/20-20 to 20-25) and all applicable administrative rules (see 14 Ill. Admin. Code Part 680). The "estimated total project cost" is a good faith approximation of the costs of an entire project being paid for in whole or in part by appropriated capital funds to construct a public work. Grantee must submit a Budget Supplement Form (available on the Grantor's website) to the Grantor within ninety (90) days of the execution of this Award. The goal of the Illinois Apprenticeship Initiative is that apprentices will perform either 10% of the total labor hours actually worked in each prevailing wage classification or 10% of the estimated labor hours in each prevailing wage classification, whichever is less. Of this goal, at least half of those apprenticeship hours shall be performed by graduates of the Illinois Works Pre-apprenticeship Program, the Illinois Climate Works Pre-apprenticeship Program, or the Highway Construction Careers Training Program. Grantee is permitted to seek from the Grantor a waiver or reduction of this goal in certain circumstances pursuant to 30 ILCS 559/20-20(b). The Grantee must ensure compliance for the life of the entire project, including during the term of the Award and after the Term ends, if applicable, and will be required to report on and certify its compliance.

37.6. Compliance with Business Enterprise Program. If applicable to this Grant, Grantee acknowledges that it is required to comply with the Business Enterprise Program for Minorities, Females, and Persons with Disabilities Act ("BEP") (30 ILCS 575/0.01 *et seq.*), which establishes a goal for contracting with businesses that have been certified as owned and controlled by persons who are minority, female or who have disabilities. Grantee shall maintain compliance with the BEP Utilization Plan submitted in conjunction with the Agreement and shall comply with all reporting requirements.

37.7. Compliance with the Employment of Illinois Workers on Public Works Act: In a period of excessive unemployment rates, Grantees (1) constructing or building any public works or (2) cleaning-up and disposing on-site of hazardous waste, and that clean-up or on-site disposal is funded or financed in whole or in part with State funds or funds administered by the State, are required to employ at least 90% Illinois laborers on such project. For projects involving clean-up and on-site disposal of hazardous waste, emergency response or immediate removal activities are excluded. This requirement applies to all labor whether skilled, semi-skilled or unskilled, whether manual or non-manual. A period of excessive unemployment rates is defined as any month immediately following two consecutive calendar months during which the level of unemployment in the State of Illinois has exceeded 5% as measured by the United States Bureau of Labor Statistics in its monthly publication of employment and unemployment figures. Any public works project financed in whole or in part by federal funds administered by the State of Illinois is covered under the provisions of this requirement, to the extent permitted by any applicable federal law or regulation. (30 ILCS 570). Grantee may receive an exception from this requirement by submitting a request and supporting documents certifying that Illinois laborers are either not available or are incapable of performing the particular type of work involved. The certification must: (a) be submitted to the agency within the first quarter of the Contract Term; (b) provide sufficient support that demonstrates the exception is met; (c) be signed by an authorized signatory of the contractor; and (d) be approved by the agency.

37.8. Interest on Grant Funds for this Award. Because this Award may be subject to the Grantor's bondability guidelines, Grantee must comply with the interest requirements contained in Paragraph 4.7 and is not permitted to retain interest earned on Grant Funds, as stated in Paragraph 26.1, unless specifically notified by Grantor that Grantee may do so.

**State of Illinois**  
**UNIFORM GRANT BUDGET TEMPLATE**

Agency:	Illinois Department of Commerce and Economic Opportunity	State FY:	2026
Grantee:	City of Joliet	UEI #:	UKXHU6SJXLR9
NOFO Number:		CSFA Number:	420-00-1896
CSFA Description:	Durable Movable Equipment		

**Section A: State of Illinois Funds**

Summary

Detail

**Revenues**

State of Illinois Grant Amount Requested \$50,000.00

**Budget Expenditure Categories**

1. Personnel (200.430)
2. Fringe Benefits (200.431)
3. Travel (200.474)
4. Equipment (200.439)
5. Supplies (200.94)
6. Contractual/Subawards (200.318 and .92)
7. Consultant (200.459)
8. Construction
  - 1217 EQUIPMENT/MATERIAL/LABOR \$50,000.00 \$50,000.00
9. Occupancy (200.465)
10. Research and Development (200.87)
11. Telecommunications
12. Training and Education (200.472)
13. Direct Administrative Costs (200.413)
14. Miscellaneous Costs
15. Grant Exclusive Line Item(s)
16. Total Direct Costs (add lines 1-15) \$50,000.00 \$50,000.00
17. Total Indirect Costs (200.414)
 

Rate:  %

Base:
18. Total Costs State Grant Funds (Lines 16 and 17) \$50,000.00 \$50,000.00

Grantee:

NOFO Number:

Grant Number:

## SECTION A - Continued - Indirect Cost Rate Information

If your organization is requesting reimbursement for indirect costs on line 17 of the Budget Summary, please select one of the following options. If not reimbursement is being requested please consult your program office regarding possible match requirements.

Your organization may not have a Federally Negotiated Cost Rate Agreement. Therefore, in order for your organization to be reimbursed for the Indirect Costs from the State of Illinois your organization must either:

- a. Negotiate an Indirect Cost Rate with the State of Illinois' Indirect Cost Unit with guidance from your State Cognizant Agency on an annual basis;
- b. Elect to use the de minimis rate of 15% modified total direct costs (MTDC) which may be used indefinitely on State of Illinois awards; or
- c. Use a Restricted Rate designated by programmatic or statutory policy (see Notice of Funding Opportunity or Restricted Rate Programs).

### Select ONLY One:

- 1)  Our Organization receives direct Federal funding and currently has a Negotiated Indirect Cost Rate Agreement (NICRA) with our federal Cognizant Agency. A copy of this agreement will be provided to the State of Illinois' Indirect Cost Unit for review and documentation before reimbursement is allowed. This NICRA will be accepted by all State of Illinois agencies up to any statutory, rule-based or programmatic restrictions or limitations.
- 2a)  Our Organization currently has a Negotiated Indirect Cost Rate Agreement (NICRA) with the State of Illinois that will be accepted by all State of Illinois agencies up to any statutory, rule-based or programmatic restrictions or limitations. Our Organization is required to submit a new Indirect Cost Rate Proposal to the Indirect Cost Unit within 6 months after the close of each fiscal year pursuant to 2 CFR 200, Appendix IV(c)(2)(c).
- 2b)  Our Organization currently does not have a Negotiated Indirect Cost Rate Agreement (NICRA) with the State of Illinois. Our organization will submit our initial Indirect Cost Rate Proposal (ICRP) immediately after our Organization is advised that the State award will be made no later than 3 months after the effective date of the State award pursuant to 2 CFR 200 Appendix (C)(2)(b). The initial ICRP will be sent to the State of Illinois Indirect Cost unit.
- 3)  Our Organization has never received a Negotiated Indirect Cost Rate Agreement from either the federal government or the State of Illinois and elects to charge the de minimis rate of 15% modified total direct cost (MTDC) which may be used indefinitely on State of Illinois awards pursuant to 2 CFR 200.414 (C)(4)(f) and 200.68.
- 4)  For Restricted Rate Programs, our Organization is using a restricted indirect cost rate that:
  - is included as a "Special Indirect Cost Rate" in the NICRA, pursuant to 2 CFR 200 Appendix IV(5); or
  - complies with other statutory policies.
- 5)  No reimbursement of Indirect Cost is being requested.

Rate:  %

### Basic Negotiated Indirect Cost Rate Information (Use only if option 1 or 2(a), above is selected.)

Period Covered By NICRA: From:  To:  Approving Federal or State Agency:

Indirect Cost Rate:  % The Distribution Base Is:

Grantee:

NOFO Number:

Grant Number:

**By signing this report, I certify to the best of my knowledge and belief that the report is true, complete and accurate and that any false, fictitious or fraudulent information or the omission of any material fact could result in the immediate termination of my grant award(s).**

Institution/Organization:

Institution/Organization:

Signature:

Signature:

Printed Name:

Printed Name:

Title:

Title:

Phone:

Phone:

Date:

Date:

Note: The State Awarding Agency may change required signers based on the grantee's organizational structure. The required signers must have the authority to enter into contractual agreements on the behalf of the organization.

## Conflict of Interest Disclosure

Award applicants and recipients of awards from the State of Illinois (collectively referred to herein as "Grantee") must disclose in writing to the awarding State agency any actual or potential conflict of interest that could affect the State award for which the Grantee has applied or has received. See 30 ILCS 708/35; 44 Ill. Admin Code § 7000.40(b)(3); 2 CFR § 200.112. A conflict of interest exists if an organization's officers, directors, agents, employees and/or their spouses or immediate family members use their position(s) for a purpose that is, or gives the appearance of, being motivated by a desire for a personal gain, financial or nonfinancial, whether direct or indirect, for themselves or others, particularly those with whom they have a family business or other close associations. In addition, the following conflict of interest standards apply to governmental and non-governmental entities.

### Definitions:

**Governmental Entity.** If the Grantee is a governmental entity, no officer or employee of the Grantee, member of its governing body or any other public official of the locality in which the award objectives will be carried out shall participate in any decision relating to a State award which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested, or which affects the personal interest of a spouse or immediate family member, or has any financial interest, direct or indirect, in the work to be performed under the State award.

**Non-governmental Entity.** If the Grantee is a non-governmental entity, no officer or employee of the Grantee shall participate in any decision relating to a State award which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested, or which affects the personal interest of a spouse or immediate family member, or has any financial interest, direct or indirect, in the work to be performed under the State award.

The Grantee shall also establish safeguards, evidenced by policies, rules and/or bylaws, to prohibit employees or officers of Grantee from engaging in actions, which create or which appear to create a conflict of interest as described herein.

**The Grantee has a continuing duty to immediately notify the Department of Commerce and Economic Opportunity (the "Department") in writing of any actual or potential conflict of interest, as well as any actions that create or which appear to create a conflict of interest.**

***Are there any current potential conflict(s) of interest, or any actions that create or which appear to create a conflict of interest, related to the State award for which your organization has applied?***

No

Yes

***If there are any current potential conflict(s) of interest, or any actions that create or which appear to create a conflict of interest, related to the State award for which your organization has applied, please describe them all here:***

If the Grantee provided information above regarding a current potential conflict of interest or any actions that create or appear to create a conflict of interest, the Grantee must immediately provide documentation to the applicable Department grant manager to support that the potential conflict of interest was appropriately handled by the Grantee's organization. If at any later time, the Grantee becomes aware of any actual or potential conflict of interest, the Grantee must notify the Department's grant manager immediately, and provide the same type of supporting documentation that describes how the conflict situation was or is being resolved.

Supporting documentation should include, but is not limited to, the following: the organization's bylaws; a list of board members; board meeting minutes; procedures to safeguard against the appearance of personal gain by the organization's officers, directors, agents, and family members; procedures detailing the proper internal controls in place; timesheets documenting time spent on the award; and bid documents supporting the selection of the contractor involved in the conflict, if applicable.

By signing this document, below, as the duly authorized representative of Grantee, I hereby certify that:

- All of the statements in this Conflict of Interest Disclosure form are true, complete and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, Section 1001).
- If I become aware of any situation that conflicts with any of the representations herein, or that might indicate a potential conflict of interest or create the appearance of a conflict of interest, I or another representative from my organization will immediately notify the Department's grant manager for this award.
- I have read and I understand the requirements for the Conflict of Interest Disclosure set forth herein, and I acknowledge that my organization is bound by these requirements.

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Grantee Organization (Company Name):

---

Signature of Authorized Representative

---

Date

---

Printed Title (Authorized Signator Title):

---

Printed Name (Authorized Signator Name):

---

CSFA Number