



*ccf*  
*JFB*  
*Ken*  
*Rob*  
*Doug*  
*Case*

# GRANT AWARD NOTIFICATION

<b>1</b> RECIPIENT NAME: Office of Rehabilitation Services Illinois Department of Human Services 100 S. Grand Avenue, 1st Floor Springfield, IL 62762	<b>5</b> AWARD INFORMATION PR/AWARD NUMBER I1390A090018 ACTION NUMBER 01 ACTION TYPE New AWARD TYPE Formula																				
<b>2</b> PROJECT DESCRIPTION 84.390A BASIC SUPPORT	<b>6</b> AWARD PERIODS BUDGET PERIOD 02/17/2009 - 09/30/2010 FEDERAL FUNDING PERIOD 02/17/2009 - 09/30/2010																				
<b>3</b> EDUCATION STAFF RECIPIENT STATE DIRECTOR Robert Kilbury (217) 558 - 0401 EDUCATION PROGRAM CONTACT Carol Dobak (202) 245 - 7325 EDUCATION PAYMENT CONTACT GAPS PAYEE HOTLINE (888) 336 - 8930	<b>7</b> AUTHORIZED FUNDING CURRENT AWARD AMOUNT \$10,039,645.00 PREVIOUS CUMULATIVE AMOUNT \$0.00 CUMULATIVE AMOUNT \$10,039,645.00																				
<b>KEY PERSONNEL</b> NEA	<b>8</b> ADMINISTRATIVE INFORMATION DUNS/SSN 067919071 REGULATIONS CFR PART 361 EDGAR AS APPLICABLE ATTACHMENTS A																				
<b>9</b> LEGISLATIVE AND FISCAL DATA AUTHORITY: PL 102-569; 103-73; 105-220; 111-5 REHABILITATION ACT OF 1973, AS AMENDED. AMERICAN RECOVERY PROGRAM TITLE: REHABILITATION SERVICES - VOCATIONAL REHABILITATION GRANTS TO STATES, RECOVERY ACT CFDA/SUBPROGRAM NO: 84.390A <table border="1"> <thead> <tr> <th>FUND CODE</th> <th>FUNDING YEAR</th> <th>AWARD YEAR</th> <th>ORG. CODE</th> <th>CATEGORY</th> <th>LIMITATION</th> <th>ACTIVITY</th> <th>CFDA</th> <th>OBJECT CLASS</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>0302M</td> <td>2009</td> <td>2009</td> <td>EHR00000</td> <td>B</td> <td>LP1</td> <td>000</td> <td>390</td> <td>4101A</td> <td>\$10,039,645.00</td> </tr> </tbody> </table>		FUND CODE	FUNDING YEAR	AWARD YEAR	ORG. CODE	CATEGORY	LIMITATION	ACTIVITY	CFDA	OBJECT CLASS	AMOUNT	0302M	2009	2009	EHR00000	B	LP1	000	390	4101A	\$10,039,645.00
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## GRANT AWARD NOTIFICATION

PR.AWARD NUMBER: H390A090018

RECIPIENT NAME: Office of Rehabilitation Services  
Illinois Department of Human Services

### TERMS AND CONDITIONS

- (1) THIS AWARD IS SUBJECT TO THE TERMS AND CONDITIONS IDENTIFIED IN ATTACHMENT A.

AUTHORIZING OFFICIAL

3/31/09

DATE



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
& CHIEF INFORMATION OFFICER

March 27, 2009

Robert Kilbury  
Office of Rehabilitation Services  
Illinois Department of Human Services  
100 S. Grand Avenue,  
1st Floor  
Springfield, IL 62762

SUBJECT: Payee Verification for Grant Award H390A090018

This is to inform you of the payee for the above listed grant award issued by the United States Department of Education.

Grantee DUNS/SSN: 067919071  
Grantee Name: Office of Rehabilitation Services  
Illinois Department of Human Services

Payee DUNS/SSN: 067919071  
Payee Name: Illinois Dept Human Services

If any of the above information is not correct, please contact a Payee Customer Support Representative at 1-888-336-8930. Please send all correspondence relating to payee or bank information changes to the following address:

U.S. Department of Education  
400 Maryland Ave., SW  
Room 4C138  
Washington, DC 20202

Attn: Claudia Staplefoote  
Phone: (202) 401-1117  
Fax: (202) 260-5505

# EXPLANATION OF BLOCKS ON THE GRANT AWARD NOTIFICATION

For Discretionary, Formula, and Block Grants (See Block 5 of the Notification)

1. **RECIPIENT NAME** - The legal name of the recipient, name of the primary organizational unit that will undertake the funded activity, and the complete address of the recipient. The recipient is commonly known as the "grantee."
2. **PROJECT TITLE AND CFDA NUMBER** - Identifies the Catalog of Federal Domestic Assistance (CFDA) subprogram title and the associated subprogram number.
3. **PROJECT STAFF** - This block contains the names and telephone numbers of the U.S. Department of Education and recipient staff who are responsible for project direction and oversight.
  - \***RECIPIENT PROJECT DIRECTOR** - The recipient staff person responsible for administering the project. This person represents the recipient to the U.S. Department of Education.
  - EDUCATION PROGRAM CONTACT** - The U.S. Department of Education staff person responsible for the programmatic, administrative and business-management concerns of the Department.
  - EDUCATION PAYMENT CONTACT** - The U.S. Department of Education staff person responsible for payments or questions concerning electronic drawdown and financial expenditure reporting.
4. **KEY PERSONNEL** - Name, title and percentage (%) of effort the key personnel identified devotes to the project.
5. **AWARD INFORMATION** - Unique items of information that identify this notification.
  - PRE-AWARD NUMBER** - A unique, identifying number assigned by the Department to each application. On funded applications, this is commonly known as the "grant number" or "document number."
  - ACTION NUMBER** - A numeral that represents the cumulative number of steps taken by the Department to date to establish or modify the award through fiscal or administrative means. Action number "01" will always be "NEW AWARD."
  - ACTION TYPE** - The nature of this notification (e.g. NEW AWARD, CONTINUATION, REVISION, ADMINISTRATIVE)
  - AWARD TYPE** - The particular assistance category in which funding for this award is provided, i.e., DISCRETIONARY, FORMULA or BLOCK.
6. **AWARD PERIODS** - Project activities and funding are approved with respect to three different time periods, described below:
  - BUDGET PERIOD** - A specific interval of time for which Federal funds are being provided from a particular fiscal year to fund a recipient's approved activities and budget. The start and end dates of the budget period are shown.
  - PERFORMANCE PERIOD** - The complete length of time the recipient is proposed to be funded to complete approved activities. A performance period may contain one or more budget periods.
    - \***FUTURE BUDGET PERIODS** - The estimated remaining budget periods for multi-year projects and estimated funds the Department proposes it will award the recipient provided substantial progress is made by the recipient in completing approved activities, the Department determines that continuing the project would be in the best interest of the Government, Congress appropriates sufficient funds under the program, and the recipient has submitted a performance report that provides the most current performance information and the status of budget expenditures.
7. **AUTHORIZED FUNDING** - The dollar figures in this block refer to the Federal funds provided to a recipient during the award periods.
  - \***THIS ACTION** - The amount of funds obligated (added) or de-obligated (subtracted) by this notification.
  - \***BUDGET PERIOD** - The total amount of funds available for use by the grantee during the stated budget period to this date.
  - \***PERFORMANCE PERIOD** - The amount of funds obligated from the start date of the first budget period to this date.
  - RECIPIENT COST-SHARE** - The funds, expressed as a percentage, that the recipient is required to contribute to the project, as defined by the program legislation or regulations and/or terms and conditions of the award.
  - RECIPIENT NON-FEDERAL AMOUNT** - The amount of non-federal funds the recipient must contribute to the project as identified in the recipient's application. When non-federal funds are identified by the recipient where a cost share is not a legislation requirement, the recipient will be **required** to provide the non-federal funds.
8. **ADMINISTRATIVE INFORMATION** - This information is provided to assist the recipient in completing the approved activities and managing the project in accordance with U.S. Department of Education procedures and regulations.
  - DUNS/SSN** - A unique, identifying number assigned to each recipient for payment purposes. The number is based on either the recipient's assigned number from Dun and Bradstreet or the individual's social security number.
  - \***REGULATIONS** - The parts of the Education Department General Administrative Regulations (EDGAR) and specific program regulations that govern the award and administration of this grant.
  - \***ATTACHMENTS** - Additional sections of the Grant Award Notification that discuss payment and reporting requirements, explain Department procedures, and add special terms and conditions in addition to those established, and shown as clauses, in Block 10 of the award. Any attachments provided with a notification continue in effect through the project period until modified or rescinded by the Authorizing Official.
9. **LEGISLATIVE AND FISCAL DATA** - The name of the authorizing legislation for this grant, the CFDA title of the program through which funding is provided, and U.S. Department of Education fiscal information.
  - FUND CODE, FUNDING YEAR, AWARD YEAR, ORG. CODE, PROJECT CODE, OBJECT CLASS** - The fiscal information recorded by the U.S. Department of Education's Grant Administration and Payment System to track obligations by award.
  - AMOUNT** - The amount of funds provided from a particular appropriation and project code. Some notifications authorize more than one amount from separate appropriations and/or project codes. The total of all amounts in this block equals the amount shown on the line, "THIS ACTION" (See "AUTHORIZED FUNDING" above (Block 7)).
10. **TERMS AND CONDITIONS OF AWARD** - Requirements of the award that are binding on the recipient.
  - \***AUTHORIZING OFFICIAL** - The U.S. Department of Education official authorized to award Federal funds to the recipient, establish or change the terms and conditions of the award, and authorize modifications to the award.

## FOR FORMULA AND BLOCK GRANTS ONLY:

(See also Blocks 1, 2, 5, 6, 8, 9 and 10 above)

3. **EDUCATION STAFF** - The U.S. Department of Education staff persons to be contacted for programmatic and payment questions.
7. **AUTHORIZED FUNDING**
  - CURRENT AWARD AMOUNT** - The amount of funds that are obligated (added) or de-obligated (subtracted) by this action.
  - PREVIOUS CUMULATIVE AMOUNT** - The total amount of funds awarded under the grant before this action.
  - CUMULATIVE AMOUNT** - The total amount of funds awarded under the grant, this action included.

\* This item differs or does not appear on formula and block grants.

<b>Contact Person</b>	
<b>Name:</b>	<b>David Esquith</b>
<b>Telephone:</b>	<b>(202) 245-7336</b>

<b>April 1, 2009</b>
----------------------

**MEMORANDUM**

**TO:** Directors, State Vocational Rehabilitation Agencies

**FROM:** Edward Anthony, Ph.D.  
Delegated the authority to perform the functions of the Commissioner of Rehabilitation Services Administration

**SUBJECT:** The American Recovery and Reinvestment Act of 2009 Vocational Rehabilitation Services Grants to States

Enclosed is your State's April 2009 Vocational Rehabilitation (VR) State Grants program grant award under the American Recovery and Reinvestment Act of 2009 (ARRA). The enclosed award represents fifty percent (50%) of your State's award under the ARRA VR State Grants award (VR ARRA funds). These funds are provided in accordance with section 807 of the ARRA, which allows the Secretary to award these ARRA funds on the basis of eligibility determinations made for fiscal year (FY) 2009 for the VR State Grants program and your provision of the certification required by section 1607 of the ARRA. The effective date of the grant award transmitted with this memo is February 17, 2009. Acceptance by your State of this grant award constitutes an agreement by the State to comply with the conditions in Attachment A and Block 10 on the enclosed Grant Award Notifications. Please note that as part of your application for FY 2009, your State made an assurance, as required by 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect with respect to the periods for which it receives grant funding.

It is important to note that the VR ARRA grant is a supplemental appropriation to the annual VR State Grants award. These funds are being allocated to state VR agencies under the program's regular allotment formula.

The remaining 50% of your State's VR ARRA funds will be available to your State by September 30, 2009. As detailed in Attachment A, States are required to track and account for the VR ARRA funds separately from the regular VR grant award funds. In order to receive the

remaining funds, your State will need to submit, for review and approval by the Department, additional information that addresses how the State will meet the accountability and reporting requirements in section 1512 of the ARRA. The second half of the award will be made by September 30, 2009 upon approval of the State's recordkeeping and reporting submission. The Department will issue specific guidance for preparing and submitting this recordkeeping and reporting information and other guidance governing ARRA funds in the coming weeks.

This one-time large increment in VR funding offers States a unique opportunity to improve employment outcomes for individuals with disabilities, especially those with the most significant disabilities. We appreciate your ongoing commitment to the provision of quality VR services to individuals with disabilities and look forward to working with you in creating long-lasting reform to improve employment outcomes for individuals with disabilities.

For additional information on the ARRA, please visit the Department's Web site at <http://www.ed.gov/policy/gen/leg/recovery/index.html> or <http://www.recovery.gov>.

Attachment A

**ATTACHMENT A**  
**VR ARRA Grant Terms and Conditions**

**A. Award Term—Reporting and Registration Requirement under Section 1512 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5**

- (a) This award requires the recipient to complete projects or activities which are funded under the American Recovery and Reinvestment Act of 2009 (“Recovery Act or ARRA”) and to report on use of Recovery Act funds provided through this award. Information from these reports will be made available to the public.
- (b) The first report is due no later than ten calendar days after the initial calendar quarter in which the recipient receives the assistance award funded in whole or in part by the Recovery Act, or July 10, 2009. Thereafter, reports shall be submitted no later than the 10th day after the end of each calendar quarter.
- (c) Recipients and their first-tier subrecipients (but not vendors for goods and services as distinguished in § \_\_.210 of the attachment to OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations) must maintain current registrations in the Central Contractor Registration ([www.ccr.gov](http://www.ccr.gov)) at all times during which they have active federal awards funded with Recovery Act funds.
- (d) The recipient shall report the information described in section 1512(c) using the reporting instructions and data elements that will be provided online at [www.FederalReporting.gov](http://www.FederalReporting.gov), and will provide any additional information required by the Department, unless the information is pre-populated in [www.FederalReporting.gov](http://www.FederalReporting.gov) and in any additional form required by the Department. At a minimum, grantees should anticipate reporting:
  - the total amounts of ARRA funds received and expended or obligated;
  - the name, description, and evaluation of the project or activity’s completion status; and
  - an estimate of the number of jobs that were saved or created with the funds.

**B. Award Term—Infrastructure Certification Requirement under Section 1511 of the American Recovery and Reinvestment Act of 2009 (Recovery Act)**

For infrastructure investment projects, the recipient, or appropriate chief executive, must post an online certification that the infrastructure investment received the full review and vetting required by law and that the recipient accepts responsibility that the investment is an appropriate use of taxpayer funds. This certification along with other required information such as a description of the investment, estimated total cost, and amount of Recovery Act funds to be used, must be posted and linked on the Recovery Accountability and Transparency Board website. A recipient may not use funds for infrastructure investment funding unless this certification is made and posted.

**C. Award Term— Required Use of American Iron, Steel, and Manufactured Goods— Section 1605 of the American Recovery and Reinvestment Act of 2009**

- (a) *Definitions.* As used in this specific award term and condition—

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“Construction material” means iron, steel, or manufactured goods brought to the construction site by the recipient, subrecipient or a subcontractor for incorporation into the public building or public work. However, emergency life safety systems, such as emergency lighting, fire alarm, and audio evacuation systems, that are discrete systems incorporated into a public building or work and that are produced as complete systems, are evaluated as a single and distinct construction material regardless of when or how the individual parts or components of those systems are delivered to the construction site.

“Manufactured good or product” means an item incorporated into the physical structure of the public building or used in a public work that is the result of processing materials by way of machinery and/or labor that produce a substantially different item. Where the basic form or function of the material processed remains the same, or the processing does not add value to the item, it is not manufactured. There is no requirement with regard to the origin of components or subcomponents in manufactured goods or products, as long as the manufacture of the goods occurs in the United States.

“Public building” and “public work” means a public building of, and a public work of, a governmental entity (the United States, the District of Columbia, commonwealths and territories of the United States and minor outlying islands, and State and local governments). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

“Steel” means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Domestic preference.*

- (1) This award term and condition implements Section 1605 of the American Recovery and Reinvestment Act of 2009 (Recovery Act) (Pub. L. 111-5), by requiring that all iron, steel, and other manufactured goods used in the project are produced in the United States except as provided in paragraph (b)(3) and (b)(4) of this term and condition.
- (2) This requirement does not apply to the material listed by the Government as follows:

**NONE**

- (3) The award official may add other iron, steel, and/or other manufactured goods to the list in paragraph (b)(2) of this term and condition if the Federal Government determines that—
  - (i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such

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material will increase the cost of the overall project by more than 25 percent;

- (ii) The iron, steel, and/or manufactured goods is not produced or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
- (iii) The application of the restriction of section 1605 of the Recovery Act would be inconsistent with the public interest.

(c) *Request for determination of inapplicability of Section 1605 of the Recovery Act.*

- (1) (i) Any recipient request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b)(3) of this term and condition shall include adequate information for Federal Government evaluation of the request, including—
    - (A) A description of the foreign and domestic iron, steel, and/or manufactured goods;
    - (B) Unit of measure;
    - (C) Quantity;
    - (D) Cost;
    - (E) Time of delivery or availability;
    - (F) Location of the construction project;
    - (G) Name and address of the proposed supplier; and
    - (H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this term and condition.
  - (ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this term and condition.
  - (iii) The cost of iron, steel, and/or manufactured goods shall include all delivery costs to the construction site and any applicable duty.
  - (iv) Any recipient request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance or repair shall explain why the recipient could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the recipient does not submit a satisfactory explanation, the award official need not make a determination.
- (2) If the Federal Government determines after award funds have been obligated for a project for construction, alteration, maintenance or repair that an exception to section 1605 of the Recovery Act applies, the award official will amend the award to allow use of the foreign iron, steel, and/or manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount or redistribution of budgeted funds, as appropriate, to cover costs associated with acquiring or using the foreign iron, steel, and/or manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, and/or manufactured goods, the award official shall adjust the

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award amount or redistribute budgeted funds, as appropriate, by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Government determines that an exception to section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.

(d) *Data.* To permit evaluation of requests under paragraph (c) of this term and condition based on unreasonable cost, the Recipient shall include the following information and any applicable supporting data based on the survey of suppliers:

**Foreign and Domestic Items Cost Comparison**

Description	Unit of Measure	Quantity	Cost (Dollars)*
<i>Item 1:</i>			
Foreign iron, steel, and/or manufactured goods	_____	_____	_____
Domestic iron, steel, and/or manufactured goods	_____	_____	_____
<i>Item 2:</i>			
Foreign iron, steel, and/or manufactured goods	_____	_____	_____
Domestic iron, steel, and/or manufactured goods	_____	_____	_____

*[List name, address, telephone number, email address, and contact for suppliers surveyed.*

*Attach copy of response; if oral, attach summary.]*

*[Include other applicable supporting information.]*

*[\* Include all delivery costs to the construction site.]*

**D. Award Term—Required Use of American Iron, Steel, and Manufactured Goods  
(Covered under International Agreements)—Section 1605 of the American Recovery  
and Reinvestment Act of 2009.**

(a) *Definitions.* As used in this award term and condition—

“Construction material” means iron, steel, or manufactured goods brought to the construction site by the recipient, subrecipient or a subcontractor for incorporation into the public building or public work. However, emergency life safety systems, such as emergency lighting, fire alarm, and audio evacuation systems, that are discrete systems incorporated into a public building or work and that are produced as complete systems, are evaluated as a single and distinct construction material regardless of when or how the individual parts or components of those systems are delivered to the construction site.

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“Designated country” --

- (1) A World Trade Organization Government Procurement Agreement country (Aruba, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and United Kingdom);
- (2) A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Mexico, Morocco, Nicaragua, Oman, Peru, or Singapore); or
- (3) A least developed country (Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, East Timor, Equatorial Guinea, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Laos, Lesotho, Liberia, Madagascar, Malawi, Maldives, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda, Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, Tanzania, Togo, Tuvalu, Uganda, Vanuatu, Yemen, or Zambia)

“Designated country iron, steel, and/or manufactured goods” --

- (1) Is wholly the growth, product, or manufacture of a designated country; or
- (2) In the case of a construction material that consists in whole or in part of materials from another country, has been substantially transformed in a designated country into a new and different construction material distinct from the materials from which it was transformed.

“Manufactured good” means an item incorporated into the physical structure of the public building or used in a public work that is the result of processing materials by way of machinery and/or labor that produce a substantially different item. Where the basic form or function of the material processed remains the same, or the processing does not add value to the item, it is not manufactured. There is no requirement with regard to the origin of components or subcomponents in manufactured goods or products, as long as the manufacture of the goods occurs in the United States.

“Public building” and “public work” means a public building of, and a public work of, a governmental entity (the United States, the District of Columbia, commonwealths and territories of the United States and minor outlying islands, and State and local governments). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

“Steel” means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Iron, steel, and manufactured goods.*

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- (1) This award term and condition implements
- (i) Section 1605 of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) (Recovery Act), by requiring that all iron, steel, and manufactured goods used in the project are produced in the United States; and
  - (ii) Section 1605(d), which requires application of the Buy American requirement in a manner consistent with U.S. obligations under international agreements. The restrictions of section 1605 of the Recovery Act do not apply to designated country iron, steel, and manufactured goods. The Buy American requirement in section 1605 shall not be applied where the iron, steel or manufactured goods used in the project are from a Party to an international agreement that obligates the recipient to treat the goods and services of that Party the same as domestic goods and services, or where the iron, steel or manufactured goods are from a least developed country. This obligation shall only apply to projects with an estimated value of \$7,443,000 or more.
- (2) The recipient shall use only domestic or designated country iron, steel, and manufactured goods in performing the work funded in whole or part with this award, except as provided in paragraphs (b)(3) and (b)(4) of this term and condition.
- (3) The requirement in paragraph (b)(2) of this term and condition does not apply to the iron, steel, and manufactured goods listed by the Government as follows:

**NONE.**

- (4) The award official may add other iron, steel, and/or manufactured goods to the list in paragraph (b)(3) of this clause if the Federal Government determines that—
- (i) The cost of domestic iron, steel, and manufactured goods would be unreasonable. The cost of domestic iron, steel, and/or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the overall cost of the project by more than 25 percent;
  - (ii) The iron, steel, and/or manufactured goods is not produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality; or
  - (iii) The application of the restriction of section 1605 of the Recovery Act to a particular construction material would be inconsistent with the public interest.

(c) *Request for determination of inapplicability of section 1605 of the Recovery Act or the Buy American Act.*

- (1) (i) Any recipient request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph(b)(4) of this term and condition shall include adequate information for Federal Government evaluation of the request, including—
- (A) A description of the foreign and domestic iron, steel, and/or manufactured goods;
  - (B) Unit of measure;
  - (C) Quantity;
  - (D) Cost;

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- (E) Time of delivery or availability;
  - (F) Location of the project;
  - (G) Name and address of the proposed supplier; and
  - (H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(4) of this term and condition.
- (ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this term and condition.
  - (iii) The cost of iron, steel, or manufactured goods shall include all delivery costs to the construction site and any applicable duty.
  - (iv) Any recipient request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the recipient could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the recipient does not submit a satisfactory explanation, the award official need not make a determination.
- (2) If the Federal Government determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the Recovery Act applies, the award official will amend the award to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount or redistribution of budgeted funds, as appropriate, to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the award official shall adjust the award amount or redistribute budgeted funds, as appropriate, by at least the differential established in 2 CFR 176.110(a).
- (3) Unless the Federal Government determines that an exception to the section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods other than designated country iron, steel, and/or manufactured goods is noncompliant with the applicable Act.
- (d) *Data.* To permit evaluation of requests under paragraph (b) of this term and condition, based on unreasonable cost, the applicant shall include the following information and any applicable supporting data based on the survey of suppliers:

**Foreign and Domestic Items Cost Comparison**

Description	Unit of Measure	Quantity	Cost (Dollars)*
<i>Item 1:</i>			
Foreign iron, steel, and/or manufactured goods	_____	_____	_____
Domestic iron, steel, and/or manufactured goods	_____	_____	_____

**ATTACHMENT A**  
**VR ARRA Grant Terms and Conditions**

Item 2:

Foreign iron, steel,  
and/or manufactured  
goods

Domestic iron, steel,  
and/or manufactured  
goods

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*[List name, address, telephone number, email address, and contact for suppliers surveyed.*

*Attach copy of response; if oral, attach summary.]*

*[Include other applicable supporting information.]*

*[\* Include all delivery costs to the construction site.]*

**E. Award Term—Wage Rate Requirements under Section 1606 of the American Recovery and Reinvestment Act of 2009**

- a) Section 1606 of the Recovery Act requires that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Pursuant to Reorganization Plan No. 14 and the Copeland Act, 40 U.S.C. 3145, the Department of Labor has issued regulations at 29 CFR Parts 1, 3, and 5 to implement the Davis-Bacon and related Acts. Regulations in 29 CFR 5.5 instruct agencies concerning application of the standard Davis-Bacon contract clauses set forth in that section. Federal agencies providing grants under the Recovery Act shall ensure that the standard Davis-Bacon contract clauses found in 29 CFR 5.5(a) are incorporated in any resultant covered contracts that are in excess of \$2,000 for construction, alteration or repair (including painting and decorating).

- (b) For additional guidance on the wage rate requirements of section 1606, contact your awarding agency. Grant recipients should direct their initial inquiries concerning the application of Davis-Bacon requirements to a particular federally assisted project to the Federal agency funding the project. The Secretary of Labor retains final coverage authority under Reorganization Plan Number 14.

**F. Award Term—Recovery Act Transactions listed in Schedule of Expenditures of Federal Awards and Recipient Responsibilities for Informing Subrecipients**

- (a) To maximize the transparency and accountability of funds authorized under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) (Recovery Act) as required by Congress and in accordance with 2 CFR 215, subpart \_\_\_\_, 21 "Uniform Administrative Requirements for Grants and Agreements" and OMB A-102 Common