

Contract Conditions Quick Reference Guide

The following table highlights the provisions required for Non-Federal entity contracts. These provisions are fully detailed in Appendix II of 2 CFR 200.327 ([§200.327 Contract provisions](#)). Contracts must also comply with all applicable Federal Law, Regulations, and Executive Orders.

Contract provisions and summaries are listed below in the order in which they appear in Appendix II, alongside project types and applicability. The [Suggested Contract Provisions language contains additional information](#), including the required or recommended language to include in federally funded contracts.

Grantees must also obtain the [MWBE Certification](#), [Iran Divestment Act Certification](#), and [Non-Boycott of Israel Certification](#) from its contractors, as applicable. Templates are linked above and can also be found in the [TDEC ARP Implementation Guide](#).

Contract Provision or Certification	Contract Type	Applicability Summary
Administrative, Contractual, or Legal Remedies	All contract types (Construction, Architectural/ Engineering and Grant Administration)	<p>All federally funded contracts greater than \$250,000 (Simplified Acquisition Threshold)</p> <p>Contracts for more than the Simplified Acquisition Threshold must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms and provide for such sanctions and penalties as appropriate.</p>
Termination for Cause and Convenience	All contract types	<p>Contracts greater than \$10,000</p> <p>All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.</p>
Equal Employment Opportunity (EEO)	Construction	<p>All construction contracts</p> <p>All contracts that meet the definition of federally assisted construction contract must include the equal opportunity clause, in accordance with Executive Order 11246, "Equal Employment Opportunity".</p>
Davis Bacon and Copeland "Anti-Kickback"	Construction	<p>Prime construction contracts greater than \$10,000,000 of ARP funding</p> <p>OR</p>

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		<p>Funds used in combination or as a match from a funding source subject to Davis Bacon and Related Acts (e.g., HUD CDBG)</p> <p>In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. There are additional reporting requirements that have been shared in the Implementation Guidelines when Davis Bacon is applicable.</p>
<p>Contract Work Hours and Safety Standards Act</p>	<p>Construction</p>	<p>Construction contracts greater than \$100,000 involving employment of mechanics or laborers</p> <p>Each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.</p>
<p>Clean Air Act & Federal Water Pollution Control Act</p>	<p>Construction</p>	<p>Construction contracts greater than \$150,000</p> <p>Contracts must contain a provision to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).</p>
<p>Debarment and Suspension Exclusions</p>	<p>All contract types</p>	<p>All contracts</p> <p>A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM). SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority. As a part of compliance, there is a Debarment Certification that should be required of all potential responders to a bid or proposal request. See template in the Implementation Guide.</p>

Contract Provision or Certification	Contract Type	Applicability Summary
Byrd Anti-Lobbying Amendment	All contract types	<p>All contracts greater than \$100,000</p> <p>Contractors that apply or bid for an award exceeding \$100,000 must file the required certification that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352.</p>
Compliance with Federal Law, Regulations, and Executive Orders	All contract types	<p>All contracts</p> <p>Compliance with Federal Law, Regulations, and Executive Orders</p>
Iran Divestment Act Certification	All contract types	<p>Any procurement or contract greater than \$1,000</p> <p>Under the Iran Divestment Act, T.C.A. §§ 12-12-101--12-12-113, political subdivisions in Tennessee are prohibited from entering into any procurement or contract over \$1,000 with a person who engages in investment activities in Iran. On or after July 1, 2016, every bid or proposal submitted to a political subdivision where competitive bidding is required must contain this certification.</p>
Non-Boycott of Israel Certification	All contract types	<p>All contracts greater than \$250,000</p> <p>The Bidder certifies that it is not currently engaged in and will not for the duration of the contract engage in, a boycott of Israel as defined by Tenn. Code Ann. § 12-4-119.</p>

Resources

Please see below additional resources to support you throughout this process. If you have any questions, please reach out to us at TDEC.ARP@tn.gov.

- [TDEC ARP Implementation Guide](#)
- [GMS User Guide](#)
- [TDEC ARP Resources Landing Page](#)