Required State Contract Provisions

For Obligated Sponsors and Airport Improvement Program Projects

**STANDARD TERMS AND CONDITIONS:**

Grantees shall not assign an Aeronautics Grant Contract or enter into a subcontract for any of the services performed under an Aeronautics Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of the Aeronautics Grant Contract pertaining to "Conflicts of Interest," “Lobbying,” "Nondiscrimination," “Public Accountability,” “Public Notice,” and “Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.

Please modify the highlighted fields accordingly based on the respective contract.

**CONTRACT CLAUSES:**

D.6. Conflicts of Interest. [Engineer or Contractor] warrants that no part of the total contract amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to [Sponsor Name] in connection with any work contemplated or performed relative to this Contract.

D.7. Lobbying. The [Engineer or Contractor] certifies, to the best of its knowledge and belief, that:

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

b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Promisor shall complete and submit Standard Form-LLL, “Disclosure of Lobbying Activities,'' in accordance with its instructions.

c. The [Engineer or Contractor] shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

D.10. Nondiscrimination. [Engineer or Contractor] hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the [Engineer or Contractor] on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The [Engineer or Contractor] shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.12. Public Accountability. If the [Engineer or Contractor] is subject to Tenn. Code Ann. § 8-4-401 *et seq*., or if this Contract involves the provision of services to citizens by [Engineer or Contractor] on behalf of the State, [Engineer or Contractor] agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The [Engineer or Contractor] shall also display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER’S TOLL-FREE HOTLINE: 1-800-232-5454.

 The sign shall be on the form prescribed by the Comptroller of the Treasury. [Sponsor Name] shall obtain copies of the sign from the Tennessee Department of Transportation, Aeronautics Division, and upon request from the [Engineer or Contractor], provide [Engineer or Contractor] with any necessary signs.

D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the [Engineer or Contractor] in relation to this Contract shall include the statement, “This project is funded under a grant contract with the State of Tennessee.” All notices by the [Engineer or Contractor] in relation to this Contract shall be approved by the State.

D.15. Records. The [Engineer or Contractor] and any approved subcontractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the [Engineer or Contractor] and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The [Engineer or Contractor]’s records shall be subject to audit at any reasonable time and upon reasonable notice by the Tennessee Department of Transportation, the Comptroller of the Treasury, or their duly appointed representatives.

 The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides.

 In addition, documentation of grant applications, budgets, reports, awards, and expenditures will be maintained in accordance with U.S. Office of Management and Budget’s *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Contract expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.

The [Engineer or Contractor] shall also comply with any recordkeeping and reporting requirements prescribed by the Tennessee Comptroller of the Treasury.

The [Engineer or Contractor] shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The [Engineer or Contractor] shall incorporate any additional Comptroller of the Treasury directives into its internal control system.

Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Tennessee Department of Transportation, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.