

UTAUS-FA0000297
202101638-001

Texas Commission on Environmental Quality

CONTRACT SIGNATURE PAGE

Contract Name: Air Quality Research Program - Grant
Contract Number: 582-22-20017
Performing Party: University of Texas at Austin
Performing Party Identification Number: 37217217217
Maximum Authorized Reimbursement: \$1,500,000.00
Effective Date: 09/01/2021 Date of last signature
Expiration Date: 08/31/2023 Last day of Fiscal Year in which the Contract was signed
 If checked, this Contract requires matching funds. Match Requirement:
 If checked, this Contract is funded with federal funds.

CFDA Number:
Federal Grant Number:

This Contract is entered under: Gov't Code ch. 771 (Interagency) Gov't Code ch. 791 (Interlocal)
 Water Code § 5.229 (Intergovernmental) Water Code§ 5.124 (Grant)

The Texas Commission on Environmental Quality (TCEQ), an agency of the State of Texas, and the named Performing Party, a state agency or local government of the State of Texas, enter this agreement (Contract) to cooperatively conduct authorized governmental functions and activities under the laws of the State of Texas.

The Parties agree as follows: (a) to be effective, the Contract must be signed by an authorized official of the TCEQ and the Performing Party; (b) this Contract consists of all documents specified in the list of Contract Documents following this page; and (c) as authorized by TCEQ, Performing Party will conduct Contract Activities as part of its own authorized governmental functions and TCEQ will reimburse Allowable Costs subject to the Texas Uniform Grant Management Standards (UGMS) and this Contract.

Texas Commission on Environmental Quality


Authorized Signature

Ramiro Garcia, Jr.
Printed Name

Deputy Executive Director
Title

11/15/2021
Date



Procurements & Contracts Representative

Dorothy Maxson, CTCD, CTCM
Printed Name

11/15/2021
Date

University of Texas at Austin

DocuSigned by:

C662057786C341A...
Authorized Signature

Mark Featherston
Printed Name

Associate Director, Office of Sponsored Projects
Title

2021-10-21 | 14:27:56 PDT
Date

CONTRACT DOCUMENTS LIST

This Contract between TCEQ and Performing Party consists of the Contract Documents listed on this page and marked by an "X." Documents on this list include all amendments. In the event of a conflict of terms, the Contract Documents as amended control in the descending order of the list, subject to provisions in the Special Terms and Conditions, if any. All Contract provisions, however, are subject to control by the latest amendment and most specific provision and by the applicable state and federal laws, rules and regulations.

- Contract Signature Page
- Contract Documents List (this page)
- Special Terms and Conditions
- Scope of Work
- General Terms and Conditions
- Cost Budget
- Notices, Project Representatives and Records Locations
- Attachment A - Financial Status Report
- Attachment B - Release of Claims
- Attachment C - Budget Revision Request Form
- Attachment D - Level of Effort Certification
- Attachment E - Insurance Section

- Air Quality Research RFGA (incorporated by reference)

- Performing Party Grant Application Information Form and proposal (incorporated by reference).

SPECIAL TERMS AND CONDITIONS

These Special Terms and Conditions add to, or in the case of conflicts, supersede and take precedence over the General Terms and Conditions set forth in this Contract.

1. CONTRACT PERIOD

The following is added to 1. Contract Period in the General Terms and Conditions:

- 1.4 **Renewal.** The parties may agree in writing to renew the Contract at the expiration of the Contract Period. Each renewal shall be for a maximum period of two (2) years (Renewal Period) that corresponds to the State's biennium period. There are two (2) Renewal Periods available under this Contract.

2. ALLOWABLE COSTS

The following is added to 3. Allowable Costs in the General Terms and Conditions:

- 3.3 **Equipment Expenditure.** Performing Party must submit a written request for written authorization prior to the Performing Party or any of its subcontractors or subgrantees purchasing equipment with Contract funds in excess of \$25,000.00. All Equipment must be managed in accordance with UGMS III. .32 Equipment.
- 3.4 **Indirect Costs.** If indirect costs are authorized by TCEQ pursuant to this Contract, the following requirements apply:
 - 3.4.1 The Performing Party shall comply with the Uniform Grant Management Standards (UGMS) relating to Indirect Cost Rates.
 - 3.4.2 The Performing Party shall maintain all records related to indirect rate for inspection or audit by TCEQ and will submit records to TCEQ within 10 (ten) days of request.
 - 3.4.3 The indirect cost rate must be a current, approved, audited rate accepted by a cognizant agency or designated state coordinating agency within the past twenty-four (24) months.
 - 3.4.4 If a rate described in 3.4.3 is not available, TCEQ and the Performing Party will either use a standard indirect cost of ten percent of the direct salary and wages, or negotiate a rate to be used for the term of the Contract. Negotiations will be conducted in accordance with UGMS Part II, Attachment E, Paragraph E, Negotiation and Approval of Rates.

3. REIMBURSEMENT REQUESTS

The following replaces 4.1 Reimbursement Requests in the General Terms and Conditions:

4.1 **Reimbursement Payments.** Performing Party shall submit one invoice per month for expenditures incurred. The invoice must accompany the Financial Status Report (FSR). The information submitted with the invoice must include the following amounts by Fiscal Year through the date of the invoice: the total of funds awarded; the funds paid to date; the balance remaining to be paid; outstanding payment(s) (based on previous invoices yet to be paid); and the funds currently being invoiced for expenditures during the previous monthly period. The invoice must also include for all Research Subcontracts, whether completed or not, the following total amounts for the Fiscal Year through the date of the invoice: funds awarded, the funds invoiced and paid, the balance remaining, outstanding payment(s), and the remaining balance of approved funds less outstanding payment(s) or current invoice.

4.1.1 **Limits on Administrative Costs.** Reimbursement for administrative costs incurred by Performing Party shall not exceed ten percent (10%) of the total program funding.

4.1.2 For each Fiscal Year for which it is possible to charge expenses, Performing Party shall track reimbursement commitments associated with activities that have been performed, billed, or paid, and shall promptly notify TCEQ when the total reaches eighty percent (80%) of the Maximum Authorized Reimbursement.

4.1.3 **Payment Request Deadline.** Performing Party agrees that, due to the State of Texas payment statutes, all Reimbursement Invoices must be presented prior to July 15 of the second Fiscal Year following the Fiscal Year for which the applicable funds were appropriated.

4.1.4 **Conditions for Payment.** TCEQ will not pay a reimbursement invoice until the related FSR is approved by TCEQ and the Performing Party demonstrates that it has complied with the requirements of the Contract. Further, TCEQ reserves the right to suspend or withhold all or part of a payment or all payments as authorized by the Contract Documents.

4.1.5 **Advance Payments.** TCEQ may make payments in advance of the Performing Party's incurring a cost.

4.1.5.1 Advance payments are conditional and contingent upon on the approval of the FSR. If the FSR does not demonstrate Performing Party has complied with the Contract requirements, TCEQ may withhold approval, reject the FSR, or take other corrective action as necessary.

4.1.5.2 By paying advance payments, TCEQ does not waive any

requirements for the reimbursement of costs. TCEQ may at any time before or after any advance payment, request additional evidence concerning costs. TCEQ may audit the records of the Performing Party and may also audit the Performing Party's performance as to any Contract Activity and any other Contract requirement.

4.1.5.3 Unless otherwise provided for in the Scope of Work, TCEQ may provide to Performing Party advance payments on a quarterly basis for the first three quarters of each Fiscal Year of the Contract Period, with the last quarter of each Fiscal Year paid on a reimbursable basis subject to reconciliation of the payments previously advanced in that Fiscal Year. After payment of three authorized quarterly advance payments for each Fiscal Year, TCEQ shall, for the remaining term of a particular Fiscal Year within this Contract, provide additional funds only on a reimbursement basis.

4.1.6 **Duplication of Effort Prohibited.** In addition to the funds provided to the Performing Party under this Contract, TCEQ and other state and federal entities may provide public or private funds to the Performing Party under a separate Contract so that funds of two (2) or more contracts are to be provided to a single activity of the Performing Party. The Performing Party must monitor all activities to ensure that the contract funds complement one another and do not result in double payments for the same activity.

4.1.7 **Reimbursement for Costs Associated with Research Projects.** The Performing Party's invoice shall reference the expense categories as defined in the Scope of Work, Administrative costs, ITAC costs, Project Management costs, and Research Project costs. The Performing Party shall also include the individual research project titles and project number and shall include the date of the most recent technical or final report with each invoice.

4.1.8 **Unexpended Funds.** Thirty (30) days following submittal of the final Financial Status Report, the Performing Party shall return to TCEQ any unexpended funds provided under this Contract. By not later than the same date, the Performing Party, unless authorized otherwise in writing by TCEQ, shall return to TCEQ any remaining interest earned, in excess of two hundred fifty dollars (\$250.00). Amounts of earned interest less than two hundred fifty dollars (\$250.00) may be retained by the Performing Party for administration expenses.

4. CONDITIONAL PAYMENTS.

The following replaces 4.4 Conditional Payments in the General Terms and Conditions:

4.4 **Conditional Payments.** Reimbursements are conditioned on Performing

Party's subsequent continuing demonstration that the costs are allowable, and the Performing Party is otherwise complying with the Contract. If TCEQ determines at any time subsequent to a payment that the costs are not allowable or that the Performing Party is not compliant, TCEQ may issue a notice to the Performing Party requiring a refund of the unallowable part of the payment (overpayment) within thirty (30) days.

5. FINANCIAL RECORDS, ACCESS AND AUDITS

The following is added to 5. Financial Records, Access and Audits in the General Terms and Conditions:

- 5.3 **Annual Audit.** Unless waived by TCEQ, Performing Party shall engage an independent financial auditor and conduct an annual audit in accordance with the Single Audit provisions of UGMS and those items set forth in this Article.
- 5.4 **Submit Audit Report.** The Performing Party shall submit to TCEQ a copy of the report of any audit conducted of the Performing Party's financial records within twenty (20) days of receipt of an audit report or have the report available on its website. At the same time, the Performing Party will also provide a statement containing an explanation of the conditions giving rise to each exception in the audit report as well as a plan for correction of any significant deficiencies in the Performing Party's operations or Contract performance. At the option of TCEQ, the Performing Party may revise and resubmit. If the statement is initially or subsequently rejected by TCEQ with no further opportunity to revise, TCEQ may suspend reimbursement or may terminate the Contract for cause and may undertake any other remedies or sanctions provided under this Contract, as appropriate.
- 5.5 **Fiscal Monitoring.** TCEQ may conduct detailed desk and on-site reviews of expenses under this Contract. The Performing Party will receive a written Monitoring Report describing all findings including those with disallowed or questioned costs. The Performing Party shall provide information to TCEQ concerning action(s) that will be taken to correct any findings noted in the report. This response will include a schedule to bring any findings up to appropriate standards and will identify resources to accomplish necessary corrections.

6. PERFORMING PARTY RESPONSIBILITIES

The following is added to 6. Performing Party's Responsibilities in the General Terms and Conditions:

- 6.7 **Subcontract.** The Performing Party shall not execute a subcontract or subgrant to be funded under this Contract unless the Scope of Work and proposed budget for that project have been submitted to TCEQ for the review

process required by the Scope of Work.

- 6.8 **Key Personnel and Contractors.** The qualifications of the personnel and contractors named in the Performing Party's Contract proposal are considered to be essential to the Contract Activities. Timely information on proposed substitutions of Key Personnel shall be provided to TCEQ. Proposed substitutions shall have comparable qualifications to those of the personnel or contractors being replaced.
- 6.9 **Personnel.** The Performing Party shall provide competent, suitably qualified personnel to perform the Contract Activities as required by the Contract Documents. Performing Party shall at all times maintain good discipline and order at the site of the Contract Activities. Performing Party shall require its employees to execute any confidentiality agreements, and any other required assignments, licenses or other instruments, and to provide information related to Intellectual Property, as may be necessary to effectuate the provisions of the Contract Documents. Performing Party will require by contract that contractors performing the Contract Activities on its behalf use best efforts to achieve or surpass generally accepted research standards as defined by peer review and/or the Independent Technical Advisory Committee (ITAC).

7. FINANCIAL STATUS REPORTS

- 7.1 **Submit Monthly.** The Performing Party will submit monthly a single hard copy of properly completed Financial Status Report (FSR) for each Contract Activity for the previous month along with a Reimbursement Invoice (Invoice) for the Allowable Costs, even if no expenditures associated with a particular Contract activity have been invoiced during the month prior to the invoice date. The FSR and the Reimbursement Invoice shall be mailed or delivered to the following address, marked to the attention of the TCEQ Contract Manager named in the Contract Representatives section of this Contract.

Texas Commission on Environmental Quality
Air Quality Division
AQD Support Section
P.O. Box 13087, MC-164
Austin, TX 78711-3087

In addition to the mailed hard copy, an electronic copy of the FSR and Reimbursement Invoice, in PDF format, shall be emailed to Invoice_AQD@tceq.texas.gov.

- 7.2 **Required Forms.** The FSR is composed of the required documentation and the following forms, as provided by TCEQ.

- 7.2.1 Financial Status Report (Attachment A);
 - 7.2.2 Supplemental FSR forms for those budget categories with expenses;
and
 - 7.2.3 Release of Claims (only with final reimbursement request).
- 7.3 **Provide All Required Information.** The FSR, including all required supplemental forms, and required cost documentation shall be legible and contain all information required. The report shall also list and explain any additional funds or in-kind contributions and other items of value received by the Performing Party that directly offset the activity costs reported by the Performing Party, including tax credits or deductions, other grants, or any other public financial assistance.
- 7.4 **Financial Status Report Form.** Each TCEQ Financial Status Report form shall indicate, for each category in the approved Budget, the Performing Party's project expenditures for the previous month, the cumulative expenditures with respect to each Budget category, and the balance remaining in each Budget category following reimbursement of the amount being requested. A Financial Status Report is required even if no expenses were incurred during a reporting period.
- 7.5 **Supplemental Financial Status Report Forms.** The forms shall contain sufficient identification of, and information concerning, the costs incurred so as to enable TCEQ to ascertain the eligibility of a particular expenditure and to enable subsequent audit thereof. The individual expenses shall be identified with respect to the major activities or specific research subcontracts that such expenditures support or satisfy. When a single expenditure supports or satisfies more than one task or objective, the Performing Party need not break down that particular expenditure by specific Contract task or objective, but may simply identify, in relative cost order, the various tasks or objectives supported.
- 7.6 All requests for the reimbursement of expenditures that are categorized as "supplies" or "other" shall be itemized by the Performing Party on the Supplemental FSR Form. In addition, for any single-listed item or service costing more than five hundred dollars (\$500.00), the Performing Party shall attach, for each reimbursable cost listed on the Supplemental FSR Form, documentation as specified in the *Supporting Documentation* section of this Article.
- 7.7 All costs which are for either Personnel/Salary or Travel shall be itemized by the Performing Party on the Supplemental FSR Form:
- 7.7.1 Personnel/Salary. Supporting documentation is required to be attached to the Supplemental FSR Form with respect to reported Personnel/Salary expenditures in order to receive reimbursement. The Performing Party is required to maintain personnel activity reports or equivalent documentation that can serve to verify the total, overall hours of staff and contractor time being directly

charged to this Contract or maintain Certified Effort Reports as referenced in the OMB circulars.

7.7.2 **Travel.** With respect to employee and contractor travel, all costs listed on the Supplemental FSR Form must be documented with information that identifies the name of the traveler(s), dates of travel, purpose/location of travel, costs for meals, transportation, and lodging to substantiate the reported reimbursable costs. Documentation which must be maintained by the Performing Party and made available during an on-site audit/monitoring visit, or upon request, for the purpose of substantiating travel-related costs shall include legible copies of Performing Party approved travel vouchers/forms, or other equivalent documentation, signed by the employees who traveled. Performing Party may utilize electronically submitted documents and electronic signatures for compliance with this documentation requirement. Travel by the Performing Party's Council members conducting business unrelated to this Contract will not be reimbursed. Specific adjustments to the method of calculating travel costs may be approved in advance by TCEQ provided that the Performing Party or its subcontractors maintain the overall limits allowed by law for individual employees of the State of Texas.

7.8 **Supporting Allowable Costs.** Upon request, Performing Party will submit any evidence and documents necessary to support the allowability of costs shown in the FSR.

7.9 **Supporting Documentation.** The documentation shall consist of a dated invoice that shows the amount billed to the Performing Party, any "past due" amount from previous invoices, and explanation of services provided. Although issued purchase orders and/or invoices marked "received/paid" represent the preferred types of documentation for purposes of this section, the Performing Party may substitute/attach other records or documents that provide the same type of information, such as a canceled check, or other evidence of payment.

7.10 **Documentation Requirements.** When the Performing Party provides documentation for a reimbursable cost, that documentation shall:

7.10.1 Be legible;

7.10.2 Identify the specific piece of equipment received or services provided;

7.10.3 Clearly identify the vendor or subcontractor who provided the equipment and services, including, at a minimum, the name of the third party and relevant contact information; and

7.10.4 Confirm the reimbursement amount listed on the form.

- 7.11 **Vendor or Contractor Services Not Procured Using Price Competition.** Information detailing the expense incurred shall be submitted along with an explanation of the services provided.
- 7.12 **Request Additional Documentation.** TCEQ may at any time before or after reimbursement, as necessary in its sole discretion, request additional evidence and documentation concerning costs.
- 7.13 If the Performing Party does not satisfactorily demonstrate the completion of the requirements of the Contract, the TCEQ Project Representative may withhold approval or reject the Financial Status Report. Satisfactory accomplishment of a task is within the reasonable judgment of TCEQ.
- 7.14 Performing Party may request and TCEQ may approve utilization of a format other than the TCEQ Financial Status Report, provided that the report format contains all of the information required by the TCEQ FSR and otherwise meets all other requirements of this Article.

8. CONFLICT OF INTEREST

The following replaces 8. Conflict of Interest in the General Terms and Conditions:

8. CONFLICT OF INTEREST

- 8.1 The Performing Party shall have a policy governing disclosure of actual and potential conflicts of interests. Specifically, for work performed under this Contract by Performing Party or any related entity or individual, Performing Party shall promptly disclose in writing to TCEQ any actual, apparent, or potential conflicts of interest, including but not limited to disclosure of:
 - 8.1.1 Any consulting fees or other compensation paid to employees, officers, agents of Performing Party, or members of their immediate families, or paid by subcontractor or subrecipients;
or
 - 8.1.2 Any organizational conflicts of interest between Performing Party and its subcontractors or subrecipients under a subaward.
- 8.2 Performing Party shall require from any investigator planning to participate in research funded under this Contract submission of a Certification Regarding Conflict of Interest relating to performance of any services under this Contract. This certification shall include a listing of the investigator's financial interests (and those of his/her spouse and dependent children):
 - 8.2.1 That would reasonably appear to be affected by the research

funded under this Contract; and

- 8.2.2 In entities whose financial interests would reasonably appear to be affected by the research.
- 8.3 Performing Party shall designate an official to solicit and review these certifications. The official must review all certifications; and determine whether an actual or potential conflict of interest exists and, if so, determine what actions should be taken by the Performing Party to manage, reduce, or eliminate such conflict of interest. An actual or potential conflict of interest exists when the designated official reasonably determines that a financial interest could directly and significantly affect the design, conduct, or reporting of the research funded under this Contract.
- 8.4 Examples of conditions or restrictions that might be imposed to manage actual or potential conflicts of interest include, but are not limited to:
- 8.4.1 Public disclosure of financial interest,
 - 8.4.2 Monitoring of research by independent reviewers,
 - 8.4.3 Modification of the research plan,
 - 8.4.4 Disqualification from participation in all or a portion of the research funded under this Contract,
 - 8.4.5 Divestiture of the financial interest, or
 - 8.4.6 Severance of relationships that create actual or potential conflicts.
- 8.5 If the Performing Party determines, in its reasonable discretion, that failure of an investigator to comply with the Performing Party's conflict of interest policy may have biased the design, conduct, or reporting of the research funded under this Contract, Performing Party must promptly notify TCEQ of the circumstances and all of the corrective action taken or to be taken. TCEQ will consider the situation and, as necessary, take appropriate action, which may include instruction to the Performing Party on how to maintain appropriate objectivity in the project, or refer the matter to the Performing Party for further action.
- 8.6 TCEQ may at any time inquire into the Performing Party's procedures and actions regarding conflicting financial interests in research funded under this Contract, including a review of all records pertinent to compliance with this part. TCEQ may require submission of the records or review them on site. To the extent permitted by law, TCEQ will maintain the confidentiality of all records of financial interests. On the basis of its review of records and/or other information that may be available, TCEQ may decide that a particular actual or potential conflict of interest may bias the objectivity of the research to such an extent that further corrective action is needed or that the Performing Party has not appropriately managed, reduced, or eliminated the conflict of

interest in accordance with this part. The issuance of a Stop Work Order by TCEQ may be necessary until the matter is resolved.

9. QUALITY ASSURANCE/QUALITY CONTROL PROCEDURES

The following provisions are added to 9.2 of the General Terms and Conditions:

- 9.2.1 Performing Party will thoroughly and completely quality assure/quality control (QA/QC) all work performed, including QA/QC of raw data (e.g., check for data entry errors, conduct checks of spreadsheet calculations, check validity of modeling inputs, conduct checks of programming algorithms, employ appropriate automated procedures to verify data reasonability, perform range/parameter checks that may be applicable to the data, or similar procedures) and will employ statistical and/or graphical analysis techniques as appropriate. Deliverables or reports that have not been quality assured or are determined to contain inaccurate information will be deemed unacceptable. Performing Party must collect an adequate amount of data to have representative samples for the purpose for which the data will be used.
- 9.2.2 If TCEQ does not specify the applicable Quality Assurance/Quality Control procedures, acceptance testing procedures, or acceptance criteria in a Proposal for Contract Activities, Performing Party will request the information prior to performing the project.

10. CONTRACT INTERPRETATION

The following are added to 16.1 Definitions in the General Terms and Conditions:

16.1 Definitions.

- 16.1.1 “Contract Activities” mean the activities described in the Scope of Work and all other performance required of the Performing Party by this Contract. The terms also include the entire completed undertaking, or the various separately identifiable parts thereof, required to be performed, created or produced under the Contract, including the results of performing, creating or producing, all as required by the Contract.
- 16.1.2 “Conforming” means the Performing Party's performance, Contract Activities, activities, goods, materials, equipment or personnel comply with the requirements of the Contract including any applicable or widely accepted industrial, scientific or technical standards and requirements, all of which are incorporated by reference.

The following replaces 16.9 Publication in the General Terms and Conditions:

16.9 **Publication.** At least fourteen consecutive (14) days prior to the submission to a publication, release to the media or public, or advertisement of information related to this Contract, the Performing Party agrees to provide a copy of the submission for publication, information to be released, or advertisement to TCEQ for review and comment. The Performing Party may recommend changes based on TCEQ comments, and TCEQ comments may be added by the author(s) to a published final document or report.

16.9.1 **Acknowledgement of Financial Assistance.** The Performing Party shall acknowledge the financial support of the TCEQ in publications, websites, reports and other documents developed for public distribution as a part of this Contract. For these materials, other than documents prepared exclusively for internal use within the TCEQ, the Performing Party shall use the following statement:

PREPARED IN COOPERATION WITH THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

The preparation of this [report/website] was financed [in part, if appropriate] through funding from the Texas Commission on Environmental Quality. The content, findings, opinions, and conclusions are the work of the author(s) and do not necessarily represent findings, opinions or conclusions of the TCEQ.

The following is added to 16. Contract Interpretation in the General Terms and Conditions:

16.14 **Bankruptcy Notice.** Performing Party is required to provide written notice to TCEQ of Performing Party's filing of a petition for bankruptcy protection. Notice must be provided within forty-eight (48) hours to the TCEQ Contract Manager and separately to the TCEQ Bankruptcy Section. Your notice to the Bankruptcy Program must include your Contract number or numbers.

11. PERFORMING PARTY PERFORMANCE EVALUATION.

11.1 In accordance with Chapter 2261, Texas Government Code, TCEQ is required to monitor the Performing Party's performance under this Contract. The Performing Party agrees that the standards set forth below are appropriate standards for the Performing Party's performance during the Contract. Performance evaluations are a part of the TCEQ review of the Performing Party and may be a factor in the selection of future grants. The TCEQ may provide this information to state agencies and upon request, to others. Performing Party consents to the disclosure of any information or opinion in

the evaluations.

- 11.1.1 **Quality and Accuracy.** Standard: Performing Party's Contract Activities conform to the requirements of this Contract.
 - 11.1.2 **Timeliness.** Standard: Performing Party's Contract Activities are completed on schedule.
 - 11.1.3 **Reports and Administrative and Financial Operations.** Standard: Performing Party's administrative and financial operations comply with all obligations in law and in this Contract, including, but not limited to, record-keeping, reimbursement requests, audits, allowable costs, payments to subcontractors, and restricted expenditures.
 - 11.1.4 **Communication.** Standard: Performing Party's accessibility, responsiveness, and cooperativeness with respect to any contract-related concerns communicated by TCEQ; and including the Performing Party's demonstrated relationship with subcontractors.
 - 11.1.5 **Other.** Standard: Other factors unique to the type of project, as determined by TCEQ.
- 11.2 TCEQ will monitor the Performing Party's performance and evaluate the level of compliance with the above standards by utilizing the performance measures set forth below.
- 11.2.1 **Exceeds Expectations.** Performing Party fully complied with all the standards on a consistent basis.
 - 11.2.2 **Satisfactory Performance.** Performing Party's performance complied with all of the standards, with only typical errors, delays, or other problems that needed to be corrected.
 - 11.2.3 **Marginal Performance.** Performing Party's performance was acceptable, although a significant number of deficiencies had to be corrected before the Contract requirements could be considered met.
 - 11.2.4 **Unsatisfactory Performance.** Performing Party's performance was not acceptable, even after attempts to correct deficiencies.
- 11.3 TCEQ will prepare a written evaluation of the performance of the Performing Party upon completion of the terms of the Contract, or more frequently, as deemed necessary by TCEQ. A copy of the evaluation will be provided to the Performing Party and a copy retained in the TCEQ's Contract files. The content of the evaluation shall be wholly within the discretion of TCEQ. The Performing Party may provide a written statement which explains or disagrees with the evaluation, which will be incorporated into the evaluation. The Performing Party waives any claim for damages against TCEQ for the

evaluation.

- 11.4 The evaluations may be a factor in the selection criteria for future Contracts. The Performing Party acknowledges that these evaluations are made on a subject in which TCEQ and its officers and employees have an interest or duty and are made for the purpose of communicating with other persons having a corresponding interest or duty. TCEQ may provide this information to state agencies and upon request, to others. Performing Party consents to the disclosure of any information or opinion contained therein. The evaluations may be posted on the TCEQ database and on the State's other contract performance database.

12. HISTORICALLY UNDERUTILIZED BUSINESSES (HUB)

The Performing Party will use its best efforts to provide opportunities for HUBs to participate in subcontracting under this Grant. Performing Party must notify TCEQ of the steps it has taken to provide opportunities for HUBs to participate, and the extent to which HUBs are being utilized as subcontractors under this Contract.

13. CONFIDENTIAL INFORMATION

If TCEQ provides Performing Party information identified as confidential, Performing Party has a duty to maintain its confidentiality and prevent unauthorized release. Performing Party is permitted to use, copy, and disclose confidential information to Performing Party's employees and subcontractors only as necessary to fulfill Performing Party's obligations under this Contract. If Performing Party receives a request for the information that TCEQ has identified as confidential, Performing Party will timely notify TCEQ of the request and will request an opinion from the Texas Office of the Attorney General regarding release if requested to do so by TCEQ.

14. GRANT ACTIVITY AUTHORIZATION THROUGH PURCHASE ORDERS.

In certain circumstances, TCEQ may authorize the provision of Grant Activities under this Contract through purchase orders upon request from the Performing Party. The request to authorize Grant Activities through purchase orders shall be on a per project basis and Performing Party must submit a separate purchase order for each Grant Activity it wishes to have TCEQ authorize. The purchase order authorization must be approved in advance by the TCEQ Air Quality Deputy Director or their designee.

15. PERFORMING PARTY CERTIFICATIONS

By signing this Contract, the Performing Party certifies that the following are true and acknowledges that the Contract may be terminated, and payment may be withheld if these certifications are inaccurate.

- 15.1 **Debt to State.** The Performing Party is not indebted to the state and does not have an outstanding tax delinquency. The Performing Party understands that the Texas Comptroller is precluded by state law from paying any person who is indebted to the state or has a tax delinquency. The Performing Party

must comply with all state and federal tax laws and fee requirements and is solely responsible for filing all required state and federal tax and fee forms.

- 15.2 **Child Support Payments.** The Performing Party is neither an individual nor a business organization with an ownership interest of at least 25% by an individual who is in arrears on child support payments. Under Texas Family Code Section 231.006 (relating to child support), the Performing Party certifies that the individual or business entity named in this contract is not ineligible to receive the specified grant and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate. If the Performing Party is subject to § 231.006, prior to signing this Contract, Performing Party must provide TCEQ the names and Social Security numbers of each person with at least 25% ownership of the Performing Party.
- 15.3 **Nondiscrimination.** The Performing Party will comply with all state and federal statutes relating to nondiscrimination.
- 15.4 **Grant Administration.** The Performing Party will maintain an appropriate grant management administration system to ensure that all terms, conditions, and specifications of the Contract, including these certifications and assurances, are met.
- 15.5 **Contracting with a Current or Former Executive Head of a State Agency.** The Performing Party certifies that it complies with Texas Government Code Section 669.003, relating to contracting with a current or former executive head of a state agency. Performing Party represents that no person who is serving or in the past four years served as an executive head of the TCEQ or any other state agency was involved with or has any interest in this Contract, including being an employee of the Performing Party. If the Performing Party employs or has used the services of a current or former executive head of TCEQ or other state agency, the Performing Party will provide the following information to TCEQ prior to executing this Contract: Name of Former Executive, Name of State Agency, Date of Separation from State Agency, Position with Performing Party, and Date of Employment with Performing Party.
- 15.6 **Suspension, Debarment, and Terrorism.** The Performing Party certifies that it and its principals are eligible to participate in this Contract and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity, and that the Performing Party is in compliance with the State of Texas statutes and rules relating to procurement, and that the Performing Party is not listed on the federal government's terrorism watch list as described in Executive Order 13224.

- 15.7 **Hurricane Katrina and Other Natural Disasters.** Under Section 2155.006(b) of the Texas Government Code, a state agency may not award a grant that includes proposed financial participation by a person who, during the five-year period preceding the date of the award, has been: (1) convicted of violating a federal law in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by Section 39.459, Texas Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005; or (2) assessed a penalty in federal civil or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, Hurricane Katrina, or any other disaster occurring after September 24, 2005. Under Section 2155.006, Government Code, the vendor certifies that the Performing Party is not ineligible to receive the specified contract and acknowledges that this contract may be terminated, and payment withheld if this certification is inaccurate.
- 15.8 **Texas Government Code Chapter 573.** Performing Party must comply with Texas Government Code Chapter 573, by ensuring that no officer, employee, or member of the Performing Party's governing body or of the Performing Party's contractor shall vote or confirm the employment of any person related within the second degree of affinity or the third degree of consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. This prohibition shall not prohibit the employment of a person who shall have been continuously employed for a period of two years, or such other period stipulated by local law, prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.
- 15.9 A nonprofit organization that receives grants from the commission under this chapter is subject to Chapters 551 and 552, Government Code.
- 15.10 Performing Party represents and warrants that it will comply with Section 2252.906 of the Texas Government Code relating to disclosure protections for certain charitable organizations, charitable trusts, and private foundations.
- 15.11 Performing Party represents and warrants that TCEQ's payments to Performing Party and Performing Party's receipt of appropriated or other funds under the contract or grant are not prohibited by Sections 403.1067 or 556.0055 of the Texas Government Code which restrict lobbying expenditures.
- 15.12 Performing Party represents and warrants that performance under the contract or grant will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety. Further, Performing Party represents and warrants that in the administration of the grant, it will comply with all conflict of interest prohibitions and disclosure requirements required by applicable law, rules, and policies, including Chapter 176 of the Texas Local

Government Code. If circumstances change during the course of the contract or grant, Performing Party shall promptly notify TCEQ.

15.13 Performing Party represents and warrants that it will monitor the activities of any subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with applicable statutes, regulations, and the terms and conditions of the subaward, and that subaward performance goals are achieved.

16. GRANT ACTIVITY AUTHORIZATION THROUGH PURCHASE ORDERS.

In certain circumstances, TCEQ may authorize the provision of Grant Activities under this Contract through purchase orders upon request from the Performing Party. The request to authorize Grant Activities through purchase orders shall be on a per project basis and Performing Party must submit a separate purchase order for each Grant Activity it wishes to have TCEQ authorize. The purchase order authorization must be approved in advance by the TCEQ Air Quality Deputy Director or their designee.

17. SUCCESSOR GUIDANCE. The Texas Uniform Grant Management Standards (UGMS) is defined to include its successor guidance, Texas Grant Management Standards, the terms of which shall control for purposes of this contract effective January 1, 2022.

18. General Terms and Conditions 10.1 and 10.2 are replaced with the following text:

10.1 License of Existing Rights. If any background or third party intellectual property is incorporated into the Work, the the Performing Party, to the extent it is able to do so, will obtain for TCEQ a nonexclusive, perpetual, irrevocable, enterprise-wide license to use, copy, publish, and modify any intellectual property in the Work and to authorize others to do so for noncommercial purposes unless otherwise indicated in the PGA/GAD. If a license of existing rights is not in conflict with other third party rights, the Performing Party shall cooperate with TCEQ in securing all necessary intellectual property licenses from third parties on behalf of TCEQ. The Performing Party agrees to require its subcontractors (unless such subcontractor is a governmental entity) to indemnify and hold harmless TCEQ from damages arising from or related to any infringement of rights in intellectual property.

19. General Terms and Conditions 12.1 and 12.2 are replaced with the following text:

12.1 Termination for Cause. TCEQ may, upon providing 30 days' written notice and the opportunity to cure to the Performing Party, terminate this Contract for cause if Performing Party materially fails to comply with the Contract including any one or more of the following acts or omissions: nonconforming work, or existence of a conflict of interest. Termination for cause does not prejudice TCEQ's other remedies authorized by this Contract or by law.

12.2 Termination for Convenience. TCEQ may, upon 30 days' written notice to the Performing Party, terminate this Contract for convenience. Termination shall not prejudice any other right or remedy of TCEQ or the Performing Party. Performing Party may request reimbursement for: conforming work and timely, reasonable costs directly attributable to termination. Performing Party shall not be paid for: work not performed, loss of anticipated profits or revenue, consequential damages or other economic loss arising out of or resulting from the termination.

*******END OF SPECIAL TERMS AND CONDITIONS*******

SCOPE OF WORK

I. INTRODUCTION

Under Chapter 387 of the Texas Health and Safety Code, TCEQ is directed to contract with a nonprofit organization or institution of higher education (PERFORMING PARTY) to establish and administer a grant program to support scientific research related to Texas air quality. TCEQ will provide grant funding to the PERFORMING PARTY as well as oversight as appropriate for the utilization of the grant funding.

The PERFORMING PARTY will further develop and implement scientific projects that address issues in Texas air quality, including atmospheric chemistry, meteorology, and emissions inventory (EI) improvements consistent with the TCEQ's mission to protect air quality in Texas. This program is not intended to create or develop control strategies, policies, or rulemaking.

The PERFORMING PARTY will administer the research program, with TCEQ approving the PERFORMING PARTY's budget for disposition of funds granted under this program. Under the statute, administrative costs incurred by the PERFORMING PARTY are limited to an amount not to exceed ten (10) percent of the total program fund. The PERFORMING PARTY that receives a grant from TCEQ under this program is subject to Texas Government Code Chapters 551 and 552.

II. FRAMEWORK STRUCTURE FOR AIR RESEARCH PROGRAM

The PERFORMING PARTY will administer the research program related to Texas air quality projects, which will be solicited, selected, and reviewed for funding by the Council in accordance with the following requirements.

A. THE COUNCIL

The PERFORMING PARTY will have or create a decision-making board of directors to determine funding of the air quality program. This board of directors or Council (collectively referred to as "the Council" in this document) will approve a budget to be submitted to TCEQ for the disposition of funds. The Council must be composed of no fewer than seven (7) and no more than eleven (11) members. All members of the Council must be residents of the State of Texas. Members of the Council cannot be remunerated using funds provided by this Grant. Funds for reimbursement will be available for travel for official business of the Council for this program.

The Council will include two (2) persons appointed by TCEQ with relevant scientific expertise. The two (2) persons may be employees or officers of TCEQ, provided that they do not participate in decisions affecting the granting of funds for any research project under this Contract.

The PERFORMING PARTY will select the remaining members of the Council to represent geographic diversity within the State of Texas. The non-TCEQ members

of the Council should have at least a general background in air quality and business practices. Representative types of members include, but are not limited to: elected officials, staff of elected officials, business community representatives, environmental group representatives, and members of the general public. The Council may not include more than four (4) individuals that are currently serving as County Judges from counties that include the Houston-Galveston-Brazoria (HGB) and Dallas-Fort Worth (DFW) nonattainment areas. HGB nonattainment area counties include Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller. DFW nonattainment area counties include Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant and Wise.

The Council must meet at least twice per biennium and may rotate the locations between the Dallas, Houston, and Austin, Texas, areas or may elect to attend by electronic, teleconference webcast or other similar methods.

The PERFORMING PARTY will work with TCEQ to establish the final list of members of the Council. This Council must be established within ninety (90) days of execution of this Grant. The term of Council members will expire at the end of the Grant period. A member of the Council may be replaced if a member wishes to no longer participate.

The Council's overall responsibilities are to:

- attend meetings with TCEQ management and the PERFORMING PARTY to understand the statewide project goals for the funding period; and
- review the combined list of projects graded and ranked by TCEQ and the Independent Technical Advisory Committee (ITAC) members for funding.

B. INDEPENDENT TECHNICAL ADVISORY COMMITTEE (ITAC)

The PERFORMING PARTY will establish an Independent Technical Advisory Committee (ITAC). The ITAC will be composed of individuals with relevant scientific expertise. The ITAC will recommend technical approaches; establish technical priorities; and review, comment and advise on all projects to ensure that the projects facilitate air quality improvement in Texas. The ITAC must meet at least twice per biennium and may rotate the location between the Dallas area, Houston area and Austin, but may also attend by electronic, teleconference, webcast, or other similar methods.

The PERFORMING PARTY must make a reasonable attempt to have a balanced representation of technical expertise on the committee, which must be composed of no fewer than nine (9) and no more than fifteen (15) individuals from various areas of the regulatory, scientific, environmental, and policy making communities from North America.

TCEQ recommends that ITAC membership includes individuals with the technical expertise within the following disciplines:

- gas-phase atmospheric chemistry,
- particulate-phase atmospheric chemistry,
- air pollution meteorology,

- mesoscale meteorology,
- photochemical grid modeling,
- measurement of trace gases and particulate matter in ambient air,
- measurement of air pollution by satellites,
- chemical engineering of chemical facilities,
- global-scale modeling of atmospheric chemistry, and
- meteorology.

Members of the ITAC cannot be remunerated using funds provided by this Grant. Funds for reimbursement will be available for travel for official business of the ITAC for this program. The ITAC members should have an understanding of the National Ambient Air Quality Standards (NAAQS) and have relevant scientific expertise. The following requirements also apply:

- No more than two (2) members of the committee may represent a single entity and they must represent different technical disciplines; and
- One member of the ITAC will be TCEQ Air Quality Deputy Director or their designee.

The PERFORMING PARTY will work with TCEQ to establish the final list of members of the ITAC. TCEQ may request to review the list of proposed appointees and their qualifications and may comment and make recommendations on their possible membership. The PERFORMING PARTY will not appoint or retain any members to the ITAC to which TCEQ has any reasonable objection.

The ITAC must be established within ninety (90) days of execution of this Grant. Subject to the requirements stated above, PERFORMING PARTY should strive for consistency in membership of the ITAC over the performance of the Grant. A member of the ITAC may be replaced if that member can no longer participate or wishes to no longer participate. The overall responsibilities of the ITAC shall be to:

- review the program goals;
- provide input for relevant questions during a funding year;
- review and rank the individual projects on the merits of the written proposal abstracts; and
- to provide input for the State of the Science document.

C. GRANT AUTHORIZATION PERSONNEL

1. DESIGNEES

Upon the execution of this Grant, the PERFORMING PARTY will name a Program Director who will be also known as the primary designee. At the same time the PERFORMING PARTY will also name a secondary designee. The Program Director or their designee must have the authorization to make management decisions for the program. The authorized secondary designee must have the equivalent authorization as the primary for the program decisions in the event the primary is unavailable. Designees may be changed upon notification to the TCEQ.

The TCEQ Air Quality Deputy Director will assign a designee who will be able to act in the same capacity in the event the Deputy Director of Air Quality is not available. The TCEQ Deputy Director of Air Quality will also name primary and

secondary Technical Advisors who may act as the overall TCEQ technical expert for the Grant to the Project Review Panel.

Upon announcement of the subawardee for each research project selected for funding by the Council, the PERFORMING PARTY will assign and name the individual Project Managers by project. During the same period the TCEQ will assign and name the Project Liaisons by project. The Project Manager and the Project Liaison will work together and with the project researchers to ensure that the funded project meets the requirements of the authorized Scope of Work, budget and timeline. The Project Manager will review, comment, and accept all parts of the project while keeping the Project Liaison informed of the progress of the initial project setup.

The Project Manager will deliver the Scope of Work, Quality Assurance Project Plan (QAPP) and budget and budget justification and other documents as necessary, to the TCEQ Project Liaison for review, comment, and recommendation for commencement. During the process the PERFORMING PARTY and TCEQ will work together to ensure strong communication on each project, and that researchers are addressing the comments and requested changes to the research project. During the project, the Project Manager and the Project Liaison will both sign off on project reports, including monthly, quarterly, and final reports. It is highly encouraged to have a high level of communication between these individuals.

Both TCEQ and the PERFORMING PARTY will each name a QAPP Manager. Each QAPP Manager must review, comment, and verify that each project has a valid QAPP for the research project submission. The PERFORMING PARTY QAPP Manager will review, comment and accept the QAPP prior to having the Project Manager send it to the Project Liaison for the TCEQ QAPP Manager review.

2. PROJECT REVIEW PANEL

The PERFORMING PARTY will establish a Project Review Panel composed of the TCEQ Air Quality Deputy Director or designee, TCEQ Technical Advisor, and the PERFORMING PARTY's designee. The Project Review Panel may be called upon to resolve disagreements on projects between the TCEQ and the PERFORMING PARTY. The Project Review Panel will strive for consensus on all issues, but decisions will be made by a simple majority of the panel.

Any modifications to the Scope of Work for an approved project must be approved by the PERFORMING PARTY's Project Manager and the TCEQ Project Liaison. If the PERFORMING PARTY's Project Manager objects to the TCEQ Project Liaison's determination, the modifications may be appealed to the Project Review Panel. Any project changes not agreed upon by both the PERFORMING PARTY's Project Manager and the TCEQ Project Liaison must be approved by the Project Review Panel to continue TCEQ funding for the project as modified.

If the TCEQ Project Liaison or the PERFORMING PARTY's Project Manager recommends a change that is inconsistent with the project concept or budget approved by ITAC, then the change is subject to the review and approval of the Project Review Panel. Both the Project Liaison and the Project Manager may

request for a project to be reviewed by the Project Review Panel in the event of an unresolved issue in the project.

The Project Review Panel's decision on unresolved disagreements or changes to the Scope of Work is final.

D. RESEARCH PROGRAM REPORTS

1. RESEARCH PLANNING

a. STRATEGIC RESEARCH PLAN

TCEQ will submit to the PERFORMING PARTY a list of objectives and priorities; this may also include the initial relevant scientific questions. The PERFORMING PARTY will use this list to create a plan to develop project ideas and goals to attain these objectives. The PERFORMING PARTY will submit this as a Strategic Research Plan, covering the Grant period to the TCEQ Air Quality Deputy Director. The Strategic Research Plan will be the initial Research Plan document. The Strategic Research Plan will review the State of the Science document at the time of the execution of this Grant, discuss specific air quality issues as outlined by TCEQ objectives and goals and that are particularly relevant to Texas, and identify the scientific research needed to fill the knowledge gap. The PERFORMING PARTY will leverage the knowledge and background of the individuals from the ITAC to complete this document. The initial document must be completed within ninety (90) days after the membership of the ITAC and the Council has been finalized.

b. STATE OF THE SCIENCE

The PERFORMING PARTY must submit a State of the Science document to TCEQ before the end of the biennium. The State of the Science document may be funded by research funds if available. The document will be considered a research project and must conform to all administrative and budgetary requirements applicable to research. This document will be reviewed and updated upon the completion of the projects associated within the biennium and may include insights from other significant scientific research during the same time, including review of possible new air quality standards that have been changed, updated or considered for the future. The relevant scientific questions from the previous biennium will also be included in the update to the State of the Science document. The State of the Science document will define and encompass all areas of research and interests as intended by this Grant program as defined in Section I. The State of the Science document must also provide insight using the projects completed during the current biennium and previous biennium. It will be the responsibility of the PERFORMING PARTY to complete and keep this document updated, with the review and input from the ITAC and TCEQ.

2. RESEARCH PRIORITY

Using the Strategic Research Plan and the previous grant reports as guides, the TCEQ Air Quality Deputy Director or their designee will present specific Texas air quality issues or questions to the PERFORMING PARTY for review and comment by the ITAC and the Council. The ITAC and the Council may also suggest issues

and questions that are relevant to overall Texas air quality. The PERFORMING PARTY, with assistance from the ITAC and TCEQ, will create a list of research questions that will be used to solicit potential scientific research projects to address these research questions. The TCEQ Air Quality Deputy Director or their designee may have the final approval of the list of questions to be included in the solicitation. The areas of interest and issues will be reviewed during the beginning of each funding period.

3. THE RESEARCH PROJECT SOLICITATION

The PERFORMING PARTY's priority is to identify, administer and manage projects that address the research questions from the goals within the Strategic Research Plan and the State of the Science document. Upon receiving the final research questions, the PERFORMING PARTY will solicit proposals for projects that are designed to address the research questions. The PERFORMING PARTY will ensure that the research proposal solicitation is broadly distributed and allows sufficient response time in order to obtain the widest possible range of research project proposals. This includes direct and indirect announcement via the PERFORMING PARTY's web site and direct emails. Any response to the solicitation must have at a minimum a project abstract, itemized budget, budget justification, and qualifications. The project abstract should contain a definition of the issue to be addressed, how the project will help achieve attainment of the NAAQS in Texas or otherwise improve air quality in Texas, a tentative project schedule, and a description of the methodology that will be used to conduct the project. At the end of the solicitation a copy of all the submissions will be made available to TCEQ.

These projects will be reviewed and scored by the ITAC. The ITAC will list and rank by category/research question the projects that it determines to best address the goals of the Strategic Research Plan prior to sending the list to the TCEQ Air Quality Deputy Director or their designee to determine which projects will be approved for TCEQ funding via this Grant. All ITAC members must recuse themselves from the scoring process for any project that is associated with an entity the member represents or in which the member has a financial interest.

The TCEQ Air Quality Deputy Director or their designee will identify and rank the list of projects which have been prepared by the ITAC, for the PERFORMING PARTY, indicating which projects have been recommended for approval by TCEQ for funding under this Grant. TCEQ may object to funding projects which, in the opinion of TCEQ Air Quality Deputy Director or their designee, are unlikely to have a scientific benefit that can be anticipated to lead to improvement in air quality, have unrealistic budget constraints, duplicate other TCEQ-supported research, are not consistent with the intent of this Grant, or do not address specific air quality research needs.

The PERFORMING PARTY will then schedule a meeting of the Council to review all the projects for funding. The Council will determine which projects are to be funded by this Grant and may comment or make changes to the funding amounts. The list of funding decisions made by the Council will be sent to the TCEQ Air Quality Deputy Director or their designee. Only projects that receive recommendation from both TCEQ and the Council may be funded by this Grant.

Upon receiving recommendations for the accepted projects, the PERFORMING PARTY may begin to process subawards with the identified research entities.

4. THE RESEARCH PROJECT SCOPE OF WORK (SOW)

The PERFORMING PARTY will formally notify the individuals whose projects have been awarded funding by this Grant. With this notification, the PERFORMING PARTY will assign a Project Manager for each project and notify TCEQ of the assignment. The PERFORMING PARTY Project Manager will coordinate with the TCEQ Project Liaison and the subawardee to develop the SOW, comprised of four separate documents:

- the Work Plan,
- the QAPP,
- a detailed itemized budget including indirect cost associated for the project, and
- a budget justification, including details on travel, publication, salary, and time commitment for each researcher.

The PERFORMING PARTY's Project Manager will work with the assigned TCEQ Project Liaison on the detailed tasking of the project with the principal researcher of the subawardee. TCEQ may recommend revisions or additions to the Scope of Work and budget. The PERFORMING PARTY may adopt TCEQ's recommendations unless those recommendations substantively change the project concepts as approved by the ITAC. If the recommendations represent a significant change, the project's recommended Scope of Work must be presented to the Project Review Panel to resolve. Upon the acceptance of the SOW, the QAPP, the budget, and the budget justification, TCEQ may issue a recommendation for a project to commence. The PERFORMING PARTY will, upon receiving the recommendation, provide a notice to the subawardee that their work may commence.

5. RESEARCH PROJECT PERFORMANCE

If the PERFORMING PARTY or the subawardee is not performing the work in accordance with the approved project's SOW, the TCEQ Project Liaison may withhold reimbursement, allow only for partial payment of invoices, or request termination of the project, as appropriate. Any such action must be reviewed by the Project Review Panel, the decision of which is final.

TCEQ may reimburse the PERFORMING PARTY only for tasks that have been completed or that are in progress as defined by the project's Scope of Work. Any modification of the Scope of Work by either TCEQ or the PERFORMING PARTY, including the addition of tasks, must be accepted by both parties, or if not mutually acceptable, then by the Project Review Panel, whose decision is final.

The PERFORMING PARTY and any subawardee must submit project information to the TCEQ Air Quality Deputy Director or designee for review and comment prior to using results from the projects for publication press release, web posting, public presentation or other forms of distribution in a manner consistent with the relevant General or Special Terms and Conditions.

III. RESEARCH PROJECT DELIVERABLES

A. WORK PLAN

The PERFORMING PARTY will provide the following project-specific progress reports within the following timeline.

1. SCOPE OF WORK

In the initial review and comment period of the SOW, the PERFORMING PARTY's Project Manager and the TCEQ Project Liaison will determine the appropriate level of detail for the SOW. If there is a disagreement regarding the level of detail for a Work Plan, the appropriate level of detail will be decided by the Project Review Panel based on best practices in research project management.

A SOW must list all the major tasks in the project, the order and dependency of those tasks, and the responsible party for each task, including quality assurance and control procedures (if applicable), and will describe preliminary data collection and analysis of such, if any has occurred. The Work Plan must contain but is not limited to a detailed listing by task of the work to be completed, a detailed timeline, a schedule for deliverables, and an executive summary or abstract of the project's objectives and methodology.

If this SOW for a research project is not acceptable to the TCEQ Project Liaison, the TCEQ Project Liaison will notify the PERFORMING PARTY Project Manager, who shall inform the subawardee that further work on the project will not be reimbursed until the SOW is revised and any differences are resolved, either by mutual agreement between TCEQ and the PERFORMING PARTY or by the Project Review Panel.

The TCEQ Project Liaison must be included in any official correspondence between the PERFORMING PARTY's Project Manager and the subawardee concerning the technical aspects of the research projects, including but not limited to conference calls, meetings, emails, hard or soft copy reports or virtual meetings.

2. QUALITY ASSURANCE PROJECT PLAN (QAPP)

All projects will require a Category III QAPP, compliant with EPA QA/R-5 guidance. The QAPP must be approved by the TCEQ Project Liaison and the TCEQ QAPP Manager prior to the initiation of substantive project work (e.g., field work, model update improvements). If the TCEQ QAPP Manager determines that the project requires a higher QAPP category (i.e., Category I or II) then the higher requirements will apply and the revised QAPP must be approved by the TCEQ Project Liaison and the TCEQ QAPP Manager. The QAPP will serve to document the objectives (minimum specifications) for product quality and the processes (including but not limited to monitoring capability and data acquisition, processing, validation, reporting and interpretation) that will be used for achievement of those objectives. The QAPP for each research project is incorporated, by reference, into this Grant Agreement. The PERFORMING PARTY and its subawardee agree to adhere to the QAPP. Changes to the QAPP requirements during the course of this Grant will be made at the direction of the TCEQ Air Quality Deputy Director or their designee with the agreement of the

PERFORMING PARTY and as Grant resources allow. The initial and final QAPP must be submitted with the initial and final SOW, respectively.

3. DETAILED ITEMIZED BUDGET

The PERFORMING PARTY will create an outline for a detailed budget, which will be submitted to TCEQ for approval. The outline will be used by the subawardee for the submission of the project's SOW. Once submitted, the TCEQ may request alterations to the overall budget. This may result in changes to the tasks. If any budget changes cause the overall project SOW to change, the research project may be reviewed by the Project Review Panel. All project budgets should include the costs of presentations of the research findings at a technical meeting, at a location to be agreed upon by the PERFORMING PARTY and TCEQ. The initial and final budget must be submitted with the initial and final SOW, respectively.

4. BUDGET JUSTIFICATION

The PERFORMING PARTY will receive from the subawardee a budget justification, which must outline how all funds will be used for the applicable research project. Justification details include, but are not limited to: personnel time on the project; itemized materials and equipment; publications (to include a list of potential journals that articles would be submitted to); and travel, which would include the location and/or name of the conference, number of travelers, purpose of attendance for each traveler, and number of days each traveler will be in travel status. Travel for project related work, non-conference, should be outlined separately. The initial and final budget justification must be submitted with the initial and final SOW, respectively.

5. PROJECT MANAGEMENT COST

The total amount of the Project Management Cost for each research project may not be greater than eight and a half percent (8.5%) of the total cost of the research project. The Project Management Cost will be determined as cost directly associated with managing, reviewing, QAPP processing, and directing of the individual research projects. The cost associated with project management may be, with TCEQ approval, funded by the project funds and may not exceed the percentage agreed upon by the PERFORMING PARTY and TCEQ.

B. MONTHLY REPORT

The PERFORMING PARTY will have the subawardee submit a monthly report and invoice to the TCEQ Project Liaison by the fifteenth (15th) day of the following month.

The report must provide:

- detailed accomplishments by task;
- preliminary analysis of results, including graphs and tables if necessary;
- data collected: raw and refined;
- problems or issues identified or encountered and proposed solutions or adjustments;

- actions conducted by task;
- goals and issues for the succeeding period; and
- a detailed analysis of how the project is progressing, whether or not tasks are on target, ahead of, or behind schedule, whether or not the project is making progress toward the initial goals and fulfilling the Scope of Work for the project.

The monthly report must cover the same period as the corresponding month's invoice for that project. This report will reference the tasks listed in the SOW and show how actual completion dates compare to proposed completion dates. Explanations will be provided for any milestone that was completed more than one (1) month later than projected. Reimbursement may be withheld, or only partially paid, if the TCEQ Project Liaison determines that insufficient detail was provided in the report to support the reimbursement of costs or insufficient work was completed within the invoicing time period. The TCEQ Project Liaison may request additional detail on the monthly report prior to payment of the invoice. The PERFORMING PARTY must provide the additional detail requested by the TCEQ Project Liaison by the end of the next invoicing period, unless the next invoicing period end date is past the end of the biennium, in which case the detail requested is due on the date the current biennium ends.

C. DRAFT FINAL REPORT

Twenty (20) business days prior to completion of the research project activities, the PERFORMING PARTY's Project Manager will provide the project's draft final report to the TCEQ's Project Liaison for review and comments.

D. FINAL REPORT AND FINAL PRESENTATION

Upon the project's contracted end date, the PERFORMING PARTY will require the subawardee to provide a detailed final report to the PERFORMING PARTY Project Manager and the TCEQ Project Liaison. The PERFORMING PARTY may also require the subawardee to make a final presentation in person or virtually at and during a location and time to be determined by the PERFORMING PARTY in consultation with the TCEQ Program Manager. Additionally, the information developed and/or collected within the project for the final report or final presentation will be submitted to the PERFORMING PARTY and the TCEQ Project Liaison for review and comment, for purposes of clarification of the work and to verify the project tasks have been completed within the SOW for invoicing purposes. The final report and the final presentation will not be shared with the public until all clarification and verifications have been completed.

1. PUBLICATIONS AND PRESENTATIONS

The PERFORMING PARTY will receive from the subawardee copies of draft presentations and scientific manuscripts prior to submissions. TCEQ will be given a two-week review period and the opportunity to comment on draft documents. Upon publication, an electronic version will be delivered to the TCEQ for internal use.

IV. GRANT PROGRAM DELIVERABLES

The PERFORMING PARTY will submit the following reports to TCEQ no later than the required due dates as set forth below.

A. GRANT PROGRAM: GRANT QUARTERLY REPORTS

The PERFORMING PARTY will provide quarterly progress reports concerning its performance under this Grant and documenting accomplishments of the previous quarter's activities. This report will include a cumulative status of all research subawards to date and a Financial Status Report for the Grant. Additionally, documentation is required that indicates the following status of funds:

- Amount of funds allocated for projects,
- Amounts invoiced by the subawardees for projects,
- Amounts used for the administration of the Council and ITAC,
- Estimate of the Grant funds available, and
- Estimate of any allocated project funds that may be returned and released from each subawardee.

The PERFORMING PARTY will include in the progress report an executive summary of each project, indicating progress toward the goals within the project's SOW, and any delays or issues as related to the projects during the reporting time period.

The due dates of these quarterly progress reports will be December 10, March 10 and June 10 of the corresponding year. If the PERFORMING PARTY does not adhere to the reporting schedule or materially fails to include required information in the progress reports, TCEQ may suspend payments until the PERFORMING PARTY comes into compliance.

B. FISCAL YEAR RESULTS REPORT

The PERFORMING PARTY will develop and submit an annual report on activities funded during the Fiscal Year that documents the accomplishments of those activities. This annual report is due by October 5. This annual report will include all the documentation as described in the quarterly Progress Reports and include each fiscal year completed budget during the Grant.

C. FINAL PROJECT STATUS AND COMPLETION REPORT

A Final Project Status and Completion Report will be submitted by the PERFORMING PARTY to TCEQ after all activities are completed, and by no later than twenty (20) days following the termination date of this Grant. This report will include all the documentation as described in the quarterly Progress Reports but should not be duplicative of those.

V. AUTHORIZATION FOR REIMBURSABLE GRANT ACTIVITIES

Administrative costs may not exceed ten percent (10%) of the total amount of the Grant. Administrative costs are defined as standard management costs, which include invoicing, personnel expenses, internal salaries, indirect costs,

contracting, reports, cost of setting up meetings, and reasonable, necessary, and actual allowable travel costs for members of the Council and the ITAC.

Advanced payment of the administrative cost not to exceed ten percent (10%) of the current Fiscal Year's budget allocation may be distributed to the PERFORMING PARTY at one hundred percent (100%) of the first year's Grant period allocation upon approval of the Grant Budget. The PERFORMING PARTY will submit an itemized Grant Budget to TCEQ for approval by the TCEQ Air Quality Deputy Director or their designee. This Grant Budget will be itemized to show how both the ten percent (10%) administrative and the ninety (90%) percent project cost will be allocated during the current Fiscal Year.

The ITAC Costs may be funded through the research funds portion of the Grant. These costs shall include the cost of setting up meetings, and reasonable, necessary, actual, and allowable travel costs for members of the ITAC.

*******END OF SCOPE OF WORK*******

GENERAL TERMS AND CONDITIONS

1. CONTRACT PERIOD

- 1.1. **Contract Period.** The Contract begins on the Effective Date and ends on the Expiration Date as provided on the Contract Signature Page. If no Effective Date is provided, the Effective Date of the Contract is the date of last signature. If no Expiration Date is provided, the Expiration Date is August 31 of the same Fiscal Year in which the Contract is signed.
- 1.2. **Amendments.** This Contract is not subject to competitive selection requirements and may be amended by mutual agreement. Except as specifically allowed by the Contract, all changes to the Contract require a written amendment that is signed by both parties.
 - 1.2.1. **Material Changes.** Material changes to the Contract require a written amendment signed by both parties. These amendments take effect when signed by the Performing Party and TCEQ, unless otherwise designated in the amendment. Material changes include the following:
 - 1.2.1.1. Changes in the total amount of funds in the Budget or the Contract;
 - 1.2.1.2. Changes to the Contract's Expiration Date;
 - 1.2.1.3. Changes to the Scope of Work that affect TCEQ's obligations to the entity providing funding, such as the United States Environmental Protection Agency (EPA), another state or federal agency, or the Texas Legislature; and
 - 1.2.1.4. Changes that affect the material obligations of the Performing Party in this Contract.
 - 1.2.2. **Unilateral Amendments.** As specifically allowed by the Contract, TCEQ may issue unilateral amendments. Unilateral amendments take effect when issued by TCEQ.
 - 1.2.3. **Minor Changes.** The TCEQ Contract Manager and/or the TCEQ Project Manager has the authority, without a written amendment, to correct typographical errors; make written Contract interpretations; and make minor, non-material changes to the requirements in the Scope of Work, the Procedures for Work Orders, or the Work Orders (including Proposals for Grant Activities); or as agreed to elsewhere in the Contract. Performing Party must provide TCEQ with a written objection to any Minor Change no later than five (5) business days from the effective date of the Minor Change. A copy of the agreed change shall be retained in the appropriate file by both the Performing Party and TCEQ.
 - 1.2.3.1. **Minor, non-material changes include:**
 - 1.2.3.1.1. Changes to the schedule in the Scope of Work including an extension of a deliverable due date, not to exceed the expiration date of the Contract;
 - 1.2.3.1.2. Changes to the schedule in the Work Order including an extension of a deliverable due date, not to exceed the expiration date of the Work Order;
 - 1.2.3.1.3. Changes to the individual tasks/activities in the Scope of Work or Work Order, if applicable, that do not substantially change the obligations of the Parties relative to those tasks/activities;

1.2.4. It is the Performing Party's responsibility to request extensions to the deliverable schedule and other changes that are within the authority of TCEQ.

1.3. **Extensions.** TCEQ may by unilateral written amendment extend the Expiration Date for a period of up to 90 days. Unless otherwise indicated in the applicable contract amendment, an extension does not extend any other deadlines or due dates other than the expiration of the Contract Period.

2. FUNDS

2.1 **Availability of Funds.** This Contract and all claims, suits or obligations arising under or related to this Contract are subject to the receipt and availability of funds appropriated by the Texas Legislature for the purposes of this Contract or the respective claim, suit or obligation, as applicable. Performing Party will ensure that this article is included in any subcontract it awards.

2.2 **Maximum Authorized Reimbursement.** The total amount of funds provided by TCEQ for the Contract will not exceed the amount of the Maximum Authorized Reimbursement, as amended.

2.3 **Fiscal Year Restrictions.** In order to be reimbursed under this Contract, costs must be incurred during the Contract Period and within the time limits applicable to the funds from which the Contract is being paid. TCEQ is not obligated to extend deadlines to match the maximum period of the funding.

2.4 **Grants.** If this Contract was entered under the TCEQ's authority to award grants, TCEQ is providing financial assistance to the recipient to undertake its own project.

2.5 **No Debt against the State.** This Contract is contingent on the continuing appropriation of funds. This Contract shall not be construed to create debt against the State of Texas.

2.6 **Abortion Funding Limitation.** Performing Party represents and warrants that payments made by TCEQ to Performing Party and Performing Party's receipt of appropriated funds under the Contract are not prohibited by Article IX, Section 6 of the General Appropriations Act, nor by Texas Government Code Chapter 2273 *Prohibited Transactions*.

2.7 **Excluded Parties.** Performing Party represents and warrants that it is not listed in the prohibited vendors lists authorized by Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control. Performing Party will notify TCEQ if it can no longer make this representation.

3. ALLOWABLE COSTS

3.1 **Conforming Activities.** TCEQ will reimburse the Performing Party for necessary and reasonable Allowable Costs that are incurred and paid by the Performing Party in performance of the Scope of Work as authorized by this Contract in the Cost Budget or Fixed Payment Amounts.

3.2 **UGMS.** Allowable Costs are restricted to costs that comply with the Texas Uniform Grant Management Standards (UGMS) and applicable state and federal rules and law. The parties agree that all the requirements of the UGMS apply to this Contract, including the criteria for Allowable Costs. UGMS is defined to include its successor guidance, Texas Grant Management Standards, the terms of which shall control for purposes of this contract effective January 1, 2022.

Additional federal requirements apply if this Contract is funded, in whole or in part, with federal funds.

4. REIMBURSEMENT

- 4.1. **Reimbursement Requests.** Performing Party shall invoice TCEQ to request reimbursement for its Allowable Costs incurred in performing the Scope of Work. Performing Party's invoice shall conform to all reimbursement requirements specified by TCEQ.
- 4.2. **Personnel Eligibility List (PEL).** If TCEQ will be reimbursing salary or wages, Performing Party must submit a completed Personnel Eligibility List (PEL) prior to starting activities under this Contract and an updated PEL with any invoice following changes to the information provided in the most recent PEL. If a Contract amendment is necessary due to changes reflected on the PEL, Performing Party must immediately submit an updated PEL with a request to amend the Contract.
- 4.3. **Level-of-Effort Certification (LEC).** For any reimbursement requests for exempt employee salaries where costs are determined based on percentage of the employee's time performing activities, Performing Party shall complete the attached Level-of-Effort Certification (LEC). The LEC shall be completed monthly and submitted with each invoice. For reimbursement requests of nonexempt employee salaries based on percentage of employee's time performing activities, Performing Party must submit time sheets. Performing Party may develop and use its own LEC method, which must be reviewed and approved by TCEQ prior to implementation. The LEC method must meet the following requirements and all other federal and state requirements regarding documentation for personnel expenses:
 - a. Reflect an after-the-fact distribution of the actual activity of each employee;
 - b. Account for the total activity for which each employee is compensated, including activities not performed under this Contract;
 - c. Be prepared at least monthly and must coincide with one or more pay periods; and
 - d. Be signed, physically or electronically, by the employee and the supervisory official having first-hand knowledge of the work performed by the employee. The employee's signature is not required in the event the employee cannot be reached due to termination of employment, lack of forwarding address, death or other documented reason.
- 4.4. **Conditional Payments.** Reimbursements are conditioned on the Scope of Work being performed in compliance with the Contract. Performing Party shall return payment to TCEQ for either overpayment or activities undertaken that are not compliant with the Scope of Work. This does not limit or waive any other TCEQ remedy.
- 4.5. **No Interest for Delayed Payment.** Since the Performing Party is not a vendor of goods and services within the meaning of Texas Government Code Chapter 2251, no interest is applicable for any late payments.
- 4.6. **Release of Claims.** As a condition to final payment or settlement, or both, the Performing Party shall execute and deliver to the TCEQ a release of all claims against the TCEQ for payment under this Contract.
- 4.7. **State Agencies/Institutions of Higher Education.** If the Performing Party is a state agency or institution of higher education, payments must be made via

interagency transaction voucher (ITV); please provide a Recurring Transaction Index (RTI) number on the face of the invoice. For payments that are to be deposited into a local bank account, the following statement must be placed on the face of the invoice: "Funds to be deposited into local bank account." For additional information, please refer to the Texas Comptroller's Accounting Policy Statement (APS) 014.

5. FINANCIAL RECORDS, ACCESS, AND AUDITS

- 5.1 **Audit of Funds.** The Performing Party understands that acceptance of funds under this Contract acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Performing Party further agrees to fully cooperate with the State Auditor's Office or its successor during any audit or investigation, including providing all records requested. Performing Party shall ensure that this clause concerning the audit of funds accepted under this Contract is included in any subcontract it awards.
- 5.2 **Financial Records.** Performing Party shall establish and maintain financial records including records of costs of the Scope of Work in accordance with generally accepted accounting practices. Upon request Performing Party shall submit records in support of reimbursement requests. Performing Party shall allow access during business hours to its financial records by TCEQ and other state agencies for the purpose of inspection and audit. Financial records regarding this contract shall be retained for a period of three (3) years after date of submission of the final reimbursement request.

6. PERFORMING PARTY'S RESPONSIBILITIES

- 6.1 **Performing Party's Responsibility for the Scope of Work.** Performing Party undertakes performance of the Scope of Work as its own project and does not act in any capacity on behalf of the TCEQ nor as a TCEQ agent or employee. Performing Party agrees that the Scope of Work is performed at Performing Party's sole risk as to the means, methods, design, processes, procedures, and performance.
- 6.2 **Standard Assurances.** Performing Party assures compliance with the provisions found in UGMS III Subpart B, .14 State assurances, that are applicable to this Contract.
- 6.3 **Independent Contractor.** The parties agree that the Performing Party is an independent contractor. Nothing in this Contract shall create an employee-employer relationship between Performing Party and TCEQ. Nothing in this Contract shall create a joint venture between TCEQ and the Performing Party.
- 6.4 **Performing Party's Responsibilities for Subcontractors.** All acts and omissions of subcontractors, suppliers, and other persons and organizations performing or furnishing any of the Scope of Work under a direct or indirect contract with Performing Party shall be considered to be the acts and omissions of Performing Party.
- 6.5 **No Third Party Beneficiary.** TCEQ does not exercise any of its rights and powers under the Contract for the benefit of third parties. Nothing in this Contract shall create a contractual relationship between TCEQ and any of the Performing Party's subcontractors, suppliers, or other persons or organizations with a contractual relationship with the Performing Party.
- 6.6 **Security Requirements.** If Performing Party accesses, transmits, uses, or stores TCEQ data:

- 1) Performing Party shall meet the security controls specified by TCEQ; and
 - 2) Performing Party must annually provide TCEQ documentation demonstrating that it meets the specified TCEQ security requirements.
- 6.7 [Requirement added by SB 2116 (87th Regular Legislative Session)] Pursuant to Government Code Section 2274.0102, Performing Party certifies that neither it, nor its wholly owned subsidiary, majority-owned subsidiary, parent company, nor any affiliate of those entities or business associations, is: (1) majority owned, held, or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor as a threat to critical infrastructure under Government Code Section 2274.0103, or (2) headquartered in any of those countries.
- 6.8 **Non-boycotting of Energy Companies.** [Requirement added by SB 13 (87th Regular Legislative Session)] Performing Party represents and warrants that: (1) it does not, and will not for the duration of the Contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the Contract.
- 6.9 **No Discrimination Against Firearm Entities.** [Requirement added by SB 19 (87th Regular Legislative Session)] Performing Party verifies that: (1) it does not, and will not for the duration of the Contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the Contract.
- 6.10 **Cybersecurity Training.** Performing Party shall ensure that any Performing Party representative (employee, officer, or subcontractor personnel) who has Access to a TCEQ Computer System or Database completes a cybersecurity training program certified by the Texas Department of Information Resources (DIR) under § 2054.519 of the Texas Government Code, during the term of the Contract and each renewal.
- 6.10.1. "Access to TCEQ Computer System or Database" means having a TCEQ network user account or the authorization to maintain, modify, or allow access control to any TCEQ web page, TCEQ computer system or TCEQ database.
 - 6.10.2. Within seven (7) days after the execution of the Contract and any renewals, Performing Party shall provide a list of persons requiring training to the TCEQ Contract Manager, and thereafter provide an updated list by the first workday of any additional person who becomes subject to the training requirements. For applicable umbrella contracts, Performing Party shall provide a list of any persons requiring training within seven (7) days of issuance of Notice to Proceed/Commence for any Work Order/Proposal for Grant Activities that requires Access to a TCEQ Computer System or Database.
 - 6.10.3. If a Performing Party representative has previously completed a DIR-certified cybersecurity training during the term of the Contract or renewal, Performing Party shall provide evidence that the Performing Party representative completed the required training to the TCEQ Contract Manager within seven (7) days after the execution of the Contract, or as applicable, the issuance of Notice to Proceed/Commence for any Work Order/Proposal for Grant Activities that requires Access to a TCEQ Computer System or Database.
 - 6.10.4. For the term of the Contract and each renewal, all Performing Party representatives subject to the training requirement must complete DIR-

certified training within seven (7) calendar days after TCEQ provides access to the training, unless the Performing Party provides evidence to TCEQ that the Performing Party representative previously completed the required training. Performing Party shall retain in their records, and upon request, provide the TCEQ Contract Manager evidence that the training was successfully completed.

- 6.10.5. Performing Party shall notify the TCEQ Contract Manager within two (2) business days when a person with Access to a TCEQ Computer System or Database no longer needs Access to such Computer System or Database.
- 6.10.6. TCEQ may terminate the Contract for Cause if Performing Party fails to adhere to any of the above terms, including completing the required certified cybersecurity training or notifying the TCEQ Contract Manager when access is no longer needed.
- 6.10.7. TCEQ may terminate the Contract for Cause if a Performing Party's representative misuses a TCEQ Computer System or Database, including allowing multiple individuals to utilize a single individual's TCEQ network user account.

7. TIME AND FORCE MAJEURE

- 7.1 **Time is of the Essence.** Performing Party's timely performance is a material term of this Contract.
- 7.2 **Delays.** Where Performing Party's performance is delayed, except by Force Majeure or act of the TCEQ, TCEQ may withhold or suspend reimbursement, terminate the Contract for cause, or enforce any of its other rights (termination for convenience may be effected even in case of Force Majeure or act of TCEQ).
- 7.3 **Force Majeure.** Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, or other causes that are beyond the reasonable control of either party, could not reasonably be foreseen, and by the exercise of all reasonable due diligence, is unable to be overcome by either party. Neither party shall be liable to the other for any failure or delay of performance of any requirement included in the contract caused by force majeure. Upon timely notice by the non-performing party, the time for performance shall be extended for a reasonable period after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. The non-performing party must provide evidence of any failure resulting in impossibility to perform.

8. CONFLICT OF INTEREST

- 8.1 Performing Party shall have a policy governing disclosure of actual and potential conflicts of interests. Specifically, for work performed under this Contract by Performing Party or any related entity or individual, Performing Party shall promptly disclose in writing to TCEQ any actual, apparent, or potential conflicts of interest, including but not limited to disclosure of:
 - a. Any consulting fees or other compensation paid to employees, officers, agents of Performing Party, or members of their immediate families, or paid by subcontractor or subrecipients; or
 - b. Any organizational conflicts of interest between Performing Party and its subcontractors or subrecipients under a subaward.
- 8.2 No entity or individual with any actual, apparent, or potential conflict of interest will take part in the performance of any portion of the Scope of Work, nor have access to information regarding any portion of the Scope of Work, without

TCEQ's written consent in the form of a unilateral amendment. Performing Party agrees that TCEQ has sole discretion to determine whether a conflict exists, and that a conflict of interest is grounds for termination of this Contract.

9. DATA AND QUALITY

- 9.1 **Quality and Acceptance.** All work performed under this Contract must be complete and satisfactory in the reasonable judgment of the TCEQ. All materials and equipment shall be handled in accordance with instructions of the applicable supplier, except as otherwise provided in the Contract.
- 9.2 **Quality Assurance.** All work performed under this Contract that involves the acquisition of environmental data will be performed in accordance with a TCEQ-approved Quality Assurance Project Plan (QAPP) meeting all applicable TCEQ and EPA requirements. Environmental data includes any measurements or information that describe environmental processes, location, or conditions, and ecological or health effects and consequences. Environmental data includes information collected directly from measurements, produced from models, and compiled from other sources such as databases or literature. No data collection or other work covered by this requirement will be implemented prior to Performing Party's receipt of the QAPP signed by TCEQ and, if necessary, the EPA. Without prejudice to any other remedies available to TCEQ, TCEQ may refuse reimbursement for any environmental data acquisition performed prior to approval of a QAPP by TCEQ and, if necessary, the EPA. Also, without prejudice to any other remedies available to TCEQ, Performing Party's failure to meet the terms of the QAPP may result in TCEQ's suspension of associated activities and non-reimbursement of expenses related to the associated activities.
- 9.3 **Laboratory Accreditation.** Any laboratory data or analyses provided under this Contract must be prepared by a laboratory that is accredited by TCEQ according to 30 Texas Administrative Code Chapter 25, subchapters A and B, unless TCEQ agrees in writing to allow one of the regulatory exceptions specified in 30 Texas Administrative Code § 25.6.

10. INTELLECTUAL PROPERTY

- 10.1. **Third Party Intellectual Property.** Unless specifically modified in an amendment or waived in a unilateral amendment, Performing Party must obtain all intellectual property licenses expressly required in the Scope of Work, or incident to the use or possession of any deliverable under the Contract. Performing Party shall obtain and furnish to TCEQ: documentation on the use of such intellectual property, and a perpetual, irrevocable, enterprise-wide license to reproduce, publish, otherwise use, or modify such intellectual property and associated user documentation, and to authorize others to reproduce, publish, otherwise use, or modify such intellectual property for TCEQ non-commercial purposes, and other purposes of the State of Texas.
- 10.2. **Grant of License.** Performing Party grants to TCEQ a nonexclusive, perpetual, irrevocable, enterprise-wide license to reproduce, publish, modify, or otherwise use for any non-commercial TCEQ purpose any preexisting intellectual property belonging to the Performing Party that is incorporated into any new works created as part of the Scope of Work, intellectual property created under this Contract, and associated user documentation.

11. INSURANCE AND INDEMNIFICATION

- 11.1 **Insurance.** Unless prohibited by law,, the Performing Party shall require its contractors to obtain and maintain during the Contract Period adequate insurance coverage sufficient to protect the Performing Party and the TCEQ from

all claims and liability for injury to persons and for damage to property arising from the Contract. Unless specifically waived by the TCEQ, sufficient coverage shall include Workers Compensation and Employer's Liability Insurance, Commercial Automobile Liability Insurance, and Commercial General Liability Insurance. Before any Performing Party contractor performs any work at a TCEQ facility, Performing Party shall provide TCEQ a Certificate of Insurance for the Contractor's Workers Compensation and Employer's Liability Insurance.

- 11.2 **Indemnification.** TO THE EXTENT AUTHORIZED BY LAW, THE PERFORMING PARTY SHALL REQUIRE ALL CONTRACTORS PERFORMING CONTRACT ACTIVITIES ON BEHALF OF PERFORMING PARTY TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE TCEQ AND PERFORMING PARTY AND THEIR OFFICERS, AND EMPLOYEES, FROM AND AGAINST ALL LOSSES, LIABILITIES, DAMAGES, AND OTHER CLAIMS OF ANY TYPE ARISING FROM THE PERFORMANCE OF CONTRACT ACTIVITIES BY THE CONTRACTOR OR ITS SUBCONTRACTORS, SUPPLIERS AND AGENTS, INCLUDING THOSE ARISING FROM DEFECT IN DESIGN, WORKMANSHIP, MATERIALS, OR FROM INFRINGEMENT OF ANY PATENT, TRADEMARK, OR COPYRIGHT; OR FROM A BREACH OF APPLICABLE LAWS, REGULATIONS, SAFETY STANDARDS, OR DIRECTIVES. THE DEFENSE OF TCEQ SHALL BE SUBJECT TO THE AUTHORITY OF THE OFFICE OF THE ATTORNEY GENERAL OF TEXAS TO REPRESENT TCEQ. THIS COVENANT SURVIVES THE TERMINATION OF THE CONTRACT.

12. TERMINATION

- 12.1 **Termination for Cause.** TCEQ may, upon providing 10 days' written notice and the opportunity to cure to the Performing Party, terminate this Contract for cause if Performing Party materially fails to comply with the Contract including any one or more of the following acts or omissions: nonconforming work, or existence of a conflict of interest. Termination for cause does not prejudice TCEQ's other remedies authorized by this Contract or by law.
- 12.2 **Termination for Convenience.** TCEQ may, upon providing 10 days' written notice to the Performing Party, terminate this Contract for convenience. Termination shall not prejudice any other right or remedy of TCEQ or the Performing Party. Performing Party may request reimbursement for: conforming work and timely, reasonable costs directly attributable to termination. Performing Party shall not be paid for: work not performed, loss of anticipated profits or revenue, consequential damages, or other economic loss arising out of or resulting from the termination.
- 12.3 If, after termination for cause by TCEQ, it is determined that the Performing Party had not materially failed to comply with the Contract, the termination shall be deemed to have been for the convenience of TCEQ.

13. DISPUTES, CLAIMS AND REMEDIES

- 13.1 **Payment as a Release.** Neither payment by TCEQ nor any other act or omission other than an explicit written release, in the form of a unilateral amendment, constitutes a release of Performing Party from liability under this Contract.
- 13.2 **Schedule of Remedies available to the TCEQ.** In accordance with Texas Government Code Chapter 2261 the following Schedule of Remedies applies to this Contract. In the event of Performing Party's nonconformance, TCEQ may do one or more of the following:
- 13.2.1. Issue notice of nonconforming performance;

- 13.2.2. Reject nonconforming performance and request corrections without charge to the TCEQ;
 - 13.2.3. Reject a reimbursement request or suspend further payments, or both, pending accepted revision of the nonconformity;
 - 13.2.4. Suspend all or part of the Contract Activities or payments, or both, pending accepted revision of the nonconformity;
 - 13.2.5. Demand restitution and recover previous payments where performance is subsequently determined nonconforming;
 - 13.2.6. Terminate the contract without further obligation for pending or further payment by the TCEQ and receive restitution of previous payments.
- 13.3 Opportunity to Cure. The Performing Party will have a reasonable opportunity to cure its nonconforming performance, if possible under the circumstances.
- 13.4 Cumulative Remedies. Remedies are cumulative; the exercise of any remedy under this Contract or applicable law does not preclude or limit the exercise of any other remedy available under this Contract or applicable law.

14. SOVEREIGN IMMUNITY

The parties agree that this Contract does not waive any sovereign immunity to which either party is entitled by law.

15. SURVIVAL OF OBLIGATIONS

Except where a different period is specified in this Contract or applicable law, all representations, indemnifications, and warranties made in, required by or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, survive for four (4) years beyond the termination or completion of the Contract, or until four (4) years after the end of a related proceeding. A related proceeding includes any litigation, legal proceeding, permit application, or State Office of Administrative Hearings proceeding, which is brought in relation to the Contract or which in TCEQ's opinion is related to the subject matter of the Contract. Either party shall notify the other of any related proceeding if notice of the proceeding has not been provided directly to that other party.

16. CONTRACT INTERPRETATION

- 16.1 **Definitions.** The word "include" and all forms such as "including" mean "including but not limited to" in the Contract and in documents issued in accordance with the Contract, such as Work Orders or Proposals for Grant Activities (PGAs).
- 16.2 **Headings.** The headings of the sections contained in this Contract are for convenience only and do not control or affect the meaning or construction of any provision of this Contract.
- 16.3 **Delivery of Notice.** Notices are deemed to be delivered three (3) working days after postmarked if sent by U.S. Postal Service certified or registered mail, return receipt requested. Notices delivered by other means are deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, facsimile transmission, email, or other commercially accepted means.
- 16.4 **Interpretation of Time.** All days are calendar days unless stated otherwise. Days are counted to exclude the first and include the last day of a period. If the last day of the period is a Saturday or Sunday or a state or federal holiday, it is omitted from the computation.

- 16.5 **State, Federal Law.** This Contract is governed by, and interpreted under the laws of the State of Texas, as well as applicable federal law.
- 16.6 **Severability.** If any provision of this Contract is found by any court, tribunal, or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void or unenforceable, it shall be deemed severable (to the extent of such illegality, invalidity, or unenforceability) and the remaining part of the provision and the rest of the provisions of this Contract shall continue in full force and effect. If possible, the severed provision shall be deemed to have been replaced by a valid provision having as near an effect to that intended by the severed provision as will be legal and enforceable.
- 16.7 **Assignment.** No delegation of the obligations, rights, or interests in the Contract, and no assignment of payments by Performing Party will be binding on TCEQ without its written consent, except as restricted by law. No assignment will release or discharge the Performing Party from any duty or responsibility under the Contract.
- 16.8 **Venue.** Performing Party agrees that the Contract is being performed in Travis County, Texas, because this Contract has been performed or administered, or both, in Travis County, Texas. The Performing Party agrees that any cause of action involving this Contract arises solely in Travis County, Texas.
- 16.9 **Publication.** Performing Party agrees to notify TCEQ five (5) days prior to the publication or advertisement of information related to this Contract. Performing Party agrees not to use the TCEQ logo or the TCEQ graphic as an advertisement or endorsement without written permission signed by the appropriate TCEQ authority.
- 16.10 **Waiver.** With the exception of an express, written waiver in the form of a unilateral amendment signed by TCEQ, no act or omission will constitute a waiver or release of Performing Party's obligation to perform conforming Contract Activities. No waiver on one occasion, whether expressed or implied, shall be construed as a waiver on any other occasion.
- 16.11 **Compliance with Laws.** TCEQ relies on Performing Party to perform all Contract Activities in conformity with all applicable laws, regulations, and rules and obtain all necessary permits and licenses.
- 16.12 **Counterparts.** This Contract may be signed in any number of copies. Each copy when signed is deemed an original and each copy constitutes one and the same Contract.
- 16.13 **Accessibility.** All electronic content and documents created as deliverables under this Contract must meet the accessibility standards prescribed in 1 Texas Administrative Code §§ 206.50 and 213 for state agency web pages, web content, software, and hardware, unless TCEQ agrees that exceptions or exemptions apply.

**Cost Budget
Cooperative Reimbursement Contract
for State Agencies and Local Governments**

1. **Budget.** Authorized budgeted expenditures for work performed are as follows:

Budget Category	Cost for Work to be Performed
Salary / Wages	\$103,600
Fringe Benefits	\$32,271
Travel	\$0.00
Supplies	\$3,769
Equipment	\$0.00
Contractual	\$1,346,250
Construction	\$0.00
Other	\$3,750
Indirect Costs	\$10,360
Total	\$1,500,000

2. **Indirect Cost Reimbursable Rate.** The reimbursable rate for this Contract is 10% of (check one):

- salary and fringe costs
 modified total direct costs
 other direct costs base

If other direct cost base, identify: salary costs

This rate is less than or equal to (check one):

- Predetermined Rate—an audited rate that is not subject to adjustment.
 Negotiated Predetermined Rate—an experienced-based predetermined rate agreed to by Performing Party and TCEQ. This rate is not subject to adjustment.
 Default rate—a standard rate of ten percent of salary/wages may be used in lieu of determining the actual indirect costs of the service.

3. **Other.** If Budget Category “Other” is greater than \$25,000 or more than 10% of budget total, identify the main constituents:

4. **Travel.** In order to be reimbursable, travel costs must be specifically authorized in advance of the travel. Travel costs will be reimbursed only in the amount of actual costs, up to the maximum allowed by law for employees of the State of Texas at the time the cost is incurred.
5. **Budget Categories.** The Budget Categories above have the definitions, requirements and limitations stated in UGMS. Construction costs are not reimbursable without prior, specific written authorization from TCEQ.
6. **Budget Control.**
 - a. **Cumulative transfers equal to or less than 10% of the Total Budget.**

Performing Party may transfer amounts between the approved direct cost budget categories so long as cumulative transfers from direct cost budget categories during the Contract Period do not exceed ten percent (10%) of the Total Budget amount. Performing Party must timely submit a Budget Revision Request (BRR) Form reflecting the revised budget. Upon approval by TCEQ, the BRR will be incorporated into this Contract as though it is a document revised under General Term and Condition Section 1.2. The 10% limit does not reset with the approval of each BRR. It resets when an amendment is signed by the parties reflecting changes to the budget.
 - b. **Cumulative transfers greater than 10% of the Total Budget.** TCEQ must **pre-approve in writing** all budget revisions that result in the cumulative transfer from direct cost budget categories of funds greater than 10% of the Total Budget during the Contract Period. The Performing Party must request to amend the Contract. A contract amendment is required **before** Performing Party incurs these costs.
 - c. Performing Party may not transfer amounts to budget categories containing zero dollars without TCEQ pre-approval in writing.
7. **Invoice Submittal.** Unless otherwise stipulated in the Contract, invoices must be submitted to the individual named in the Notices, Project Representatives and Records Location document at monthly intervals. Final invoices shall be submitted within two (2) calendar months after completing the Scope of Work activities. TCEQ may unilaterally extend this deadline by e-mail.
 - a. All invoices must be submitted in a format that clearly shows how the budget control requirement is being met.
8. **Supporting Records.** Performing Party shall submit records and documentation to TCEQ as appropriate for the review and approval of reimbursing costs. TCEQ may reject invoices without appropriate supporting documentation. TCEQ has the right to request additional documentation such as expenses for the invoice period, year-to-date expenses, projected totals for the year (or applicable contract period), percent of budget spent to date, and percentage of budget projected to be spent. Performing Party shall maintain records subject to the terms of this Contract.
9. **Indirect Costs.** Performing Party's indirect costs will be reimbursed at the reimbursable rate entered above. If no reimbursable rate is shown above, indirect costs are not reimbursable under this Contract. The reimbursable rate must be less than or equal to the rate authorized under UGMS. To the extent that the reimbursable rate is lower than Performing Party's actual indirect costs, Performing Party is contributing its unreimbursed indirect costs to the successful performance of this Contract, and waives any right it may

have to reimbursement of those costs (if this Contract requires matching funds, Performing Party may claim its unreimbursed indirect costs as part or all of its match). Performing Party must fund all unreimbursed indirect costs from other funds. It is the Performing Party's responsibility to ensure that unreimbursed indirect costs are not charged to other projects which do not benefit from them, and that it uses funding sources that may be properly used to fund its unreimbursed costs.

NOTICES, PROJECT REPRESENTATIVES AND RECORDS LOCATION

CONTRACT NO. 582-22-20017

PROJECT TITLE: AIR QUALITY RESEARCH PROGRAM - GRANT

- Representatives.** The individual(s) named below are the representatives of TCEQ and Performing Party. They are authorized to give and receive communications and directions on behalf of the TCEQ and the Performing Party as indicated below. All communications including official contract notices must be addressed to the appropriate representative or his or her designee.
- Changes in Information.** Either party may change its information in this *Notices, Project Representatives and Records Location* document by providing notice to the other party's representative for contractual matters.
- TCEQ Representatives**

TCEQ CONTRACT MANAGER (for Contractual Matters)

Brenda Fritz

Contract Specialist

Title

Texas Commission on Environmental
Quality

P.O. Box 13087

MC-164

Austin, Texas 78711-3087

Telephone No. (512) 239-1609

Facsimile No. (512) 239-1500

Email Address: Brenda.Fritz@tceq.texas.gov

TCEQ PROJECT MANAGER (for Technical Matters)

Raj Nadkani

Project Manager

Title

Texas Commission on Environmental
Quality

P.O. Box 13087

MC-164

Austin, Texas 78711-3087

Telephone No. (512) 239-1934

Facsimile No. (512) 239-1500

Email Address: Raj.nadkani@tceq.texas.gov

4. Performing Party Representatives.

For Contractual Matters

RoseAnna Goewey

Program Manager

Title

Telephone No. 512-232-5040

Facsimile No.

Email Address: rgoewey@utexas.edu

For Technical Matters

Dr. Dave Allen

Director

Title

Telephone No. 512-471-0049

Facsimile No.

Email Address: allen@che.utexas.edu

- Invoice Submittal.** Invoices must be submitted to the TCEQ Contract Manager, unless another recipient is identified below:

TCEQ Project Manager / TCEQ Disbursements Section / Other: Invoice_AQD@tceq.texas.gov

- Designated Location for Records Access and Review.** The Performing Party designates the physical location indicated below for record access and review pursuant to any applicable provision of this Contract:

(City / State ZIP)

Attachments

- Attachment A – Financial Status Report
- Attachment B – Release of Claims
- Attachment C – Budget Revision Request Form
- Attachment D – Level of Effort Certification
- Attachment E – Insurance Section

Attachment A: Financial Status Report

**Texas Commission on Environmental Quality
FINANCIAL STATUS REPORT**

1. STATE AGENCY ORGANIZATION UNIT TO WHICH REPORT IS SUBMITTED:					
2. GRANT/CONTRACT TITLE:					
3. PAYEE IDENTIFICATION NUMBER:		4. RECIPIENT ORGANIZATION (NAME AND COMPLETE ADDRESS, INCLUDING ZIP CODE) :			
5. TCEQ CONTRACT NUMBER:					
6. FINAL REPORT:	YES	NO			
7. ACCOUNTING BASIS:	CASH	ACCRUAL			
8. TOTAL PROJECT/GRANT PERIOD:		9. PERIOD COVERED BY THIS REPORT:			
FROM	TO		FROM		TO
10 BUDGET CATEGORIES:		Approve d Budget	Project Cost This Report	Cumulative Project Cost	Balanc e **
a.	Personnel/Salary		*		
b.	Fringe Benefits		*		
c.	Travel		*		
d.	Supplies		*		
e.	Equipment		*		
f.	Contractual		*		
g.	Construction		*		
h.	Other		*		
i.	Total Direct Costs (Sum a - h)				
j.	Indirect Costs				
k.	Total (Sum of i & j)				
* List (Itemize) on the appropriate supplemental form all component expenses comprising the total for each of these categories. Please attach receipts, as required.					

** Negative balances in any of the budget categories should be explained in a brief accompanying narrative.			
11 CERTIFICATION I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award document.			
Signature of Authorized Certifying Official			
Typed or Printed Name and Title			
Telephone (Area code, number and ext.)		Date Submitted	

ITEMIZATION OF EQUIPMENT AND CONTRACTUAL COSTS

EQUIPMENT PURCHASES (during this report period)				
NUMBER PURCHASED	ITEM DESCRIPTION (Should match description provided for approval)	UNIT COST	TOTAL COST	TASKS
TOTAL EQUIPMENT EXPENDITURES (must agree with line 10e)			\$	

CONTRACTUAL EXPENDITURES (during this report period)			
SUBCONTRACTOR (NAME)	FOR	COST (THIS PERIOD)	TASKS
TOTAL CONTRACTUAL EXPENDITURES (must agree with line 10f)		\$	

*** LEGIBLE PURCHASE ORDER AND/OR INVOICES MUST BE ATTACHED TO THIS FORM FOR EACH LISTED ITEM OR EXPENDITURE.**

ITEMIZATION OF CONSTRUCTION COSTS

CONSTRUCTION COSTS (during this report period)			
DESCRIPTION	PURPOSE	COST (THIS PERIOD)	TASKS
TOTAL CONSTRUCTION EXPENDITURES (must agree with line 10g)		\$	

ITEMIZATION OF SUPPLY AND OTHER COSTS

SUPPLIES PURCHASED (during this report period)				
NUMBER PURCHASED	ITEM DESCRIPTION (Should match description provided for approval)	UNIT COST	TOTAL COST	TASKS
TOTAL SUPPLY EXPENDITURES (must agree with line 10d)			\$	

OTHER EXPENDITURES (during this report period)				
NUMBER PURCHASED	DESCRIPTION	UNIT COST	TOTAL COST	TASKS
TOTAL OTHER EXPENDITURES (must agree with line 10h)			\$	

*LEGIBLE RECEIPTS OR OTHER SUBSTANTIATING DOCUMENTATION MAY BE ATTACHED FOR EXPENDITURES THAT EQUAL OR EXCEED \$500.

ITEMIZATION OF PERSONNEL/SALARY AND TRAVEL COSTS

PERSONNEL/SALARY EXPENDITURES (during this report period)			
EMPLOYEE NAME	TITLE/POSITION	SALARY (THIS PERIOD)	TASKS
TOTAL PERSONNEL/SALARY EXPENDITURES (must agree with line 10a)		\$	

TRAVEL EXPENDITURES (during this report period)			
DESCRIPTION	REASON	COST (THIS PERIOD)	TASKS
TOTAL TRAVEL EXPENDITURES (must agree with line 10c)		\$	

*SUBSTANTIATING DOCUMENTATION (time sheets, travel receipts, etc.) MAY BE REQUIRED TO BE ATTACHED TO THIS FORM

Financial Status Report Preparation Instructions

1. The PERFORMING PARTY, in order to obtain reimbursement for those expenditures authorized under this Contract, shall submit, a completed, legible TCEQ Financial Status Report and any required TCEQ Supplemental forms. Unless directed otherwise in the Contract, the PERFORMING PARTY shall submit such payment request documents by not later than twenty-one (21) days after the close of each state fiscal year quarter. The reporting periods shall also correspond to the State of Texas fiscal year quarters (September-November; December-February, March-May; June-August). Each Financial Status Report shall indicate, for each budget sub-category the PERFORMING PARTY'S project expenditures for the period in question, the cumulative expenditures with respect to each budget sub-category, and the balance remaining in each budget sub-category following reimbursement of the amount being requested. A quarterly Financial Status Report is required even if no expenses were incurred during the report period.
2. All requests for reimbursement of expenditures that fall within either the "Equipment" or "Contractual" categories of the Contracts Cost Budget shall be itemized by the PERFORMING PARTY on the Supplemental Form and identified with respect to the major tasks or objectives, set forth in the Scope of Work, that such expenditures support or satisfy. In addition, the PERFORMING PARTY shall attach, for each reimbursable cost listed on Supplemental Form, legible documentation that (1) serves to further identify the specific piece of equipment received or the services provided, (2) clearly identifies the vendor or subcontractor who provided the equipment or services, and (3) that confirms the reimbursable amount listed on the form. In the case of equipment purchases, the attached documentation shall be either a purchase order marked "received/paid" or a vendor-submitted invoice similarly marked. In the case of subcontractor provided services, the documentation shall consist of a dated invoice that shows the amount billed to the PERFORMING PARTY and any "past due" amount from previous invoices.
3. All requests under this Contract for the reimbursement of expenditures that fall within the "Construction" category of the Contracts Cost Budget shall be itemized by the PERFORMING PARTY on the Supplemental Form and identified with respect to the major tasks or objectives, set forth in the Scope of Work, that such expenditures support or satisfy. In addition, the PERFORMING PARTY shall attach, for each reimbursable cost listed, legible documentation that (1) serves to further identify the specific cost, (2) clearly identifies the vendor or subcontractor who provided the construction related materials or services, and (3) that confirms the reimbursable amount listed on the form. The attached documentation shall be either a purchase order marked "received/paid" or an invoice similarly marked. In the case of subcontractor provided construction services, the documentation shall consist of a dated invoice that shows the amount billed to the PERFORMING PARTY and any "past due" amount from previous invoices.
4. All requests for the reimbursement of expenditures that fall within either the "Supply" or "Other" categories of the Contracts Cost Budget shall be itemized by the PERFORMING PARTY on the Supplemental Form and identified with respect to the major tasks or objectives, set forth in the Scope of Work, that such expenditures support or satisfy. In addition, for any single-listed item or service costing more than \$500, the PERFORMING PARTY shall attach, for each reimbursable cost listed, legible documentation that (1) serves to further identify the specific items or services, (2) clearly identifies the vendor or subcontractor who provided the items or services, and (3) that confirms the reimbursable

amount listed on the form. Although issued purchase orders and/or invoices marked “received/paid” represent the preferred types of documentation for purposes of this section, the PERFORMING PARTY may substitute/attach other records or documents that provide the same type of information. The PERFORMING PARTY shall not intentionally break up single orders of identical or similar items, materials or supplies simply for the purpose of avoiding the above requirement to provide confirming documentation when submitting reimbursement requests to the TCEQ.

5. All requests for reimbursement of expenditures that fall within either the “Personnel/Salary” or “Travel” categories of the Contracts Cost Budget shall be itemized by the PERFORMING PARTY on the Supplemental Form and identified with respect to the major tasks or objectives, set forth in the Scope of Work, that such expenditures support or satisfy. Although no supporting documentation is required to be attached to Supplemental Form with respect to reported “Personnel/Salary” expenditures in order to receive reimbursement, the PERFORMING PARTY is expected to maintain signed time sheets that can serve to verify the total, overall hours of staff time being directly billed to this Contract. With respect to employee travel, all costs listed must be supported by attached documentation that identifies the name of the traveler’s, and that substantiates the reported reimbursable costs. Documentation, for the purpose of substantiating travel-related costs, includes the following: (1) legible copies of the PERFORMING PARTY-approved travel vouchers, signed by the employees who traveled, and (2) for any travel-related expenses under this contract borne directly by the PERFORMING PARTY (and thus for which reimbursement by the PERFORMING PARTY to the traveler was not required) separate receipts showing, at a minimum, the traveler’s name, the travel location, and the travel date(s).
6. When a single expenditure supports or satisfies more than one task or objective, the PERFORMING PARTY need not breakdown that particular expenditure by specific contract task or objective but may simply identify, in relative cost order, the various tasks or objectives supported.

**Attachment B:
Release of Claims**

(Must be returned with last invoice per General Term and Condition Section 4.6)

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Conditional Final Waiver and Release of Claims

Upon receipt and clearance of payment from the Texas Commission on Environmental Quality (TCEQ) in the sum of \$_____, which constitutes final payment to *University of Texas at Austin* (hereinafter referred to as “Performing Party”), Performing Party and its successors and assigns, release, discharge and relinquish the TCEQ, its officers, agents, and employees from all claims, known or unknown, arising out of or relating to TCEQ Contract Number 582-22-20017 (Contract).

It is expressly agreed and understood that this conditional FINAL waiver and release of all claims is effective, without any further action of any party, only upon clearance of final payment to Performing Party in the above-mentioned amount. Performing Party warrants that it has completed all activities described in the Contract.

Executed on this _____ day of _____, 20_____.

By: _____
(signature)

(name)

(title)

Attachment C: Budget Revision Request

BUDGET REVISION REQUEST FORM

Purpose: To document recipient organization's proposed budget changes to ensure project deliverables are met and fiscal accountability. Prior TCEQ review and approval is required before incurring specific costs resulting in cumulative transfers of more than 10% of the total budget.

Instructions: Complete 1. - 8. Total the amounts.

1. Recipient Organization (Name & Complete Address Including Zip Code):

2. Grant/ Contract Title:

3. Payee Identification No.:

4. TCEQ Contract No.:

5. Total Project/ Grant Period:

6. Budget Categories:

7. Approved Budget

8. Change Requested (+ or -)

9. New or Revised Budget

a. Personnel/Salaries

b. Fringe Benefits

c. Travel

d. Supplies

e. Equipment

f. Contractual

g. Construction

h. Other

i. Total Direct Costs (sum a - h)

j. Indirect Costs (___% x \$_____ [Base: Salary])

k. Total (sum i & j)

Justification (Attach additional sheets, if necessary):

*** Budget Revision Request must contain all signatures to be approved/valid ***

Signature of Recipient's Representative
Date

Type or Printed Name and Title

Signature of TCEQ Project Manager
Date

Type or Printed Name and Title

Signature of TCEQ Contract Manager
Date

Type or Printed Name and Title

Attachment D: Level-of-Effort Certification

(Certification(s) must be returned with each invoice per General Terms and Conditions Section 4.3)

Level-of-Effort Certification
[Month] 20[XX]
Employee Name: [Name]

Project	Actual Activities Performed	Activity for Which Employee was Compensated (% of Total Hours Worked)
TCEQ Contract Nos.		
582-XX-XXXXX	•	X %
Other Projects (Not Related to TCEQ Contracts/Grants)		X %

The information listed above is true and correct. TCEQ may request additional information.

Employee Name

Supervisor Name

Employee Signature

Supervisor Signature

Date

Date

Attachment E: Insurance Section

INSURANCE SECTION

1. **COVERAGES REQUIRED.** Unless prohibited by law, Performing Party and any subcontractors, as applicable, shall obtain and maintain throughout the Contract term the insurance coverages listed below:
 - 1.1 *Worker's Compensation Insurance:* Coverage to secure the payment of compensation to injured employees as defined in the Texas Worker's Compensation Act.
 - 1.2 *Employer's Liability Insurance:* Coverage in the following minimum amounts:
 - Bodily Injury, \$500,000 per accident;
 - Disease, \$500,000 per employee;
 - Aggregate policy limit of \$1,000,000.
 - 1.3 *Commercial Automobile Liability Insurance:* Coverage in the following minimum amounts for owned, hired, and non-owned vehicles for claims of automobile bodily injury and property damage which may arise in the performance of the Contract:
 - \$500,000 per person;
 - \$500,000 per occurrence for bodily injury; and
 - \$1,000,000 per occurrence for property damage; or
 - \$1,000,000 per occurrence if the policy is issued for bodily injury and property damage combined.
 - 1.4 *Commercial General Liability Insurance:* Coverage for claims of personal injury and bodily injury, including accidental death, and property damage which may arise from the performance of the contract. The types of coverage required are: Blanket, Broad Form Property Damage, Premises and Operations Hazards, Products and Completed Operations Hazards, Independent Contractor's, and Contractual Liability in the minimum amounts of:
 - \$1,000,000 per occurrence for bodily injury; and
 - \$1,000,000 per occurrence for property damage; or
 - \$2,000,000 per occurrence if the policy is issued for bodily injury and property damage combined.
2. **MINIMUM INSURER RATING.** The Performing Party will obtain all required policies from insurers licensed, eligible or registered under Texas law with a rating of A- or better in a financial size category of IV or higher according to A.M. Best Company.

3. NOTICES OF CHANGE. The Performing Party's insurance policies must require the insurer or the insurer's authorized agent to notify TCEQ of any cancellation, or material change, other than for non-payment, at least 30 days in advance. The Performing Party's insurance policy must require the insurer or the insurer's authorized agent to notify TCEQ of any cancellation or material change due to non-payment at least 10 days in advance. These notices of changes must reference the TCEQ contract number and be made in writing by certified mail to the TCEQ Contract Manager at the address shown in the Contract.

4. INSURANCE CERTIFICATE. Performing Party shall provide TCEQ with evidence of the insurance coverage required under this Contract. The evidence of the coverage shall be a certificate of insurance on a form approved by the Texas Department of Insurance. Contractor will submit the certificate to the TCEQ Contract Manager no later than ten days after award of the Contract, or as directed by the Special Terms and Conditions. Prior to the expiration of any insurance coverages during the term of the Contract, Contractor will submit a certificate evidencing renewed or new insurance policies. Certificates must bear the contract number of this Contract. If Performing Party changes insurers, Performing Party shall give TCEQ a new certificate of insurance within ten days. The certificate of insurance shall set out any deductible or self-insured retention amounts for each coverage required.

5. REQUIRED ADDITIONAL PROVISIONS. All policies of insurance shall include the following provisions:

- 5.1 TCEQ and its officers and employees are named additional insureds to the *Commercial General Liability Insurance*;
- 5.2 Waiver of subrogation in favor of TCEQ, its officers and employees for bodily injury (including death), property damage or any other loss arising from this Contract; and
- 5.3 The Performing Party's insurance is primary insurance with respect to the TCEQ and its officers and employees.

6. SELF-INSURANCE. Performing Party must disclose on its insurance certificate if any of the coverage required under the contract is being satisfied with a Self-Insured Retention (SIR) and list the amount of the SIR.