

SUBAWARD AGREEMENT

For State CARES Pandemic Related Stability Payments Program for Funds Made Available
Through the Federal CARES Act

ILLINOIS DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES AND
«Vendor_Name_1»

The following information is provided pursuant to 2 C.F.R. §200.331(a)(1):

1. Name of subrecipient: «Vendor_Name_1»
2. Unique identifier: «Unique_Identifier»
3. Federal Award Identification Number: SLT0042
4. Federal Award Date: April 16, 2020
5. Subaward Period of Performance:
 - a. Start Date: The date of State subaward payment issuance
 - b. End Date: December 30, 2020
 - c. Allowable Cost Period: March 1, 2020 through December 30, 2020
6. Total Amount: «Grant_Amount»
7. Program Description: The State CARES Pandemic Related Stability Payments Program for Funds Made Available Through the Federal CARES Act (the “Program”) supports providers providing care to recipients under the Medical Assistance Program and responding to COVID-19 by providing an infusion of funds to cover pandemic related health care expenses that were not part of their annual budgets established before March 1, 2020.
8. Federal awarding agency: U.S. Department of the Treasury
9. Pass-through entity: Illinois Department of Healthcare and Family Services
10. CFDA Number: 21.019
11. CFDA name: Coronavirus Relief Fund
12. R&D designation: Non R&D

The awarding official for this subaward is Theresa Eagleson, Director of the Illinois Department of Healthcare and Family Services. Should you have any questions about this subaward, please contact the Department of Healthcare and Family Services at HFS.CARES@Illinois.gov or via telephone at (217) 782-1123.

- I. THIS SUBAWARD AGREEMENT (“Agreement”) is entered into by the Illinois Department of Healthcare and Family Services (the “Department”, “Pass-through Entity”) and «Vendor_Name_1» (the “Subrecipient”).

For the purposes of this Agreement, the Department serves as the pass-through entity for a Federal award and the Subrecipient serves as the recipient of a subaward (the “Subaward Funds”).

II. THIS SUBAWARD AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING REPRESENTATIONS

A. Department Representations

1. The Department represents to the Subrecipient it received these funds from the Federal government, and the Department has the authority to subaward these funds to the Subrecipient and set the terms and conditions outlined below.
2. The Department represents to the Subrecipient that it has authority to disburse the funds under this Agreement.
3. The Department represents to the Subrecipient that it will publish information about the funding methodology and awarded amounts in Provider Notices and by other means.

B. Subrecipient Representations

1. Subrecipient represents to the Department that it is fully qualified and eligible to receive the funds awarded to it by the Department as part of this Agreement.
2. Subrecipient represents to the Department that it understands that the State CARES pandemic related stability payments provided under the Program are authorized by and subject to 305 ILCS 5/5-5.7a.
3. Subrecipient represents to the Department that it understands that any funding provided through the Program is authorized under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”) and that it will follow all requirements of the CARES Act, including, but not limited to, all related guidance, including subsequent guidance, issued by the U.S. Department of the Treasury.

4. Subrecipient acknowledges that the Department intends to award a portion of the Coronavirus Relief Fund (“CRF”) to Subrecipient, and further acknowledges that the CRF may be utilized only for the uses authorized by the CARES Act. Accordingly, Subrecipient covenants that the use of the CRF by Subrecipient is limited to only those uses for which the CRF may be utilized under the CARES act.
5. Subrecipient represents that it is registered in the Federal System for Award Management (“SAM” or "SAM.gov”), or in the absence of such registration that it will take all steps necessary to register with SAM.gov following the execution of the Agreement.
6. Subrecipient represents that it is registered in the Illinois Grant Accountability and Transparency Act Grantee Portal (the “GATA Portal”), or in the absence of such registration that it will take all steps necessary to register with the GATA Portal following the execution of the Agreement.

III. THE DEPARTMENT AND THE SUBRECIPIENT AGREE TO THE FOLLOWING TERMS AND CONDITIONS

A. PAYMENT

1. Payment Schedule: Payments will be made as determined by the Department.
2. Availability of Appropriation; Sufficiency of Funds: This Agreement is contingent upon and subject to the availability of funds. The Department, at its sole option, may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if (i) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (ii) the Governor decreases the Department’s funding by reserving some or all of the Department’s appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly, or (iii) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Subrecipient will be notified in writing of the failure of appropriation or of a reduction or decrease.
3. Return of Subaward Funds: Any Subaward Funds remaining that are not expended by Subrecipient, at the end of the Agreement period, or in the case of capital improvement Subaward Funds at the end of the time period Subaward Funds are available for expenditure or obligation, shall be returned to the Department within forty-five (45) days. A Subrecipient who is required to reimburse Subaward Funds and who enters into a deferred payment plan for the purpose of satisfying a past due debt, shall be required to pay interest on such debt as required by Section 10.2 of the Illinois State Collection Act of

1986. 30 ILCS 210; 44 Ill. Admin. Code 7000.450(c). In addition, as required by 44 Ill. Admin. Code 7000.440(b)(2), unless granted a written extension, Subrecipient must liquidate all obligations incurred under the Subaward at the end of the period of performance.

4. Failure to Execute Agreement: Any Subrecipient who cannot or will not execute this agreement shall return all Subaward Funds to the Department. Subaward Funds shall be remitted to the Attention: Receipt Accounting at Illinois Department of Healthcare and Family Services, Bureau of Fiscal Operations, 2200 Churchill Road A-2, Springfield, Illinois 62702.
5. Payments to Third Parties: Subrecipient agrees to hold harmless the Department when the Department acts in good faith to redirect all or a portion of any Subaward Funds to a third party. The Department will be deemed to have acted in good faith if it is in possession of information that indicates Subrecipient authorized the Department to intercept or redirect payments to a third party or when so ordered by a court of competent jurisdiction.
6. Interest: All interest earned on Subaward Funds held by a Subrecipient shall be treated in accordance with 2 CFR 200.305(b)(9). Any amount due shall be remitted annually in accordance with 2 CFR 200.305(b)(9) or to the Department, as applicable. Subaward Funds shall be placed in an insured account, whenever possible, that bears interest, unless exempted under 2 CFR Part 200.305(b)(8).

B. ALLOWABLE AND UNALLOWABLE COSTS

1. Allowable costs:

Payments shall be exclusively for expenses incurred by Subrecipient related to the pandemic associated with the 2019 Novel Coronavirus (COVID-19) Public Health Emergency issued by the Secretary of the U.S. Department of Health and Human Services (HHS) on January 31, 2020 and the national emergency issued by the President of the United States on March 13, 2020 between March 1, and December 30, 2020. Subrecipient shall attest and be able to demonstrate that their expenses are pandemic related, were not part of their annual budgets established before March 1, 2020, and are directly associated with health care needs.
2. Unallowable Costs:

Subrecipient represents to the Department that it understands that any funds provided through the Program are (1) State CARES pandemic related stability payments authorized by and subject to 305 ILCS 5/5-5.7a and (2) authorized under section 601(a) of the Social Security Act, as added by section 5001 of

the CARES Act and that it will follow all requirements of these laws, including, but not limited to, all related guidance, including subsequent guidance, issued by the U.S. Department of the Treasury regarding unallowable expenditures of Subaward Funds.

Subrecipient may not use this financial assistance for:

- a. Workforce bonuses other than hazard pay or overtime;
- b. Severance pay;
- c. Legal Settlements;
- d. Taxes;
- e. Entertainment (Alcohol);
- f. Travel costs;
- g. Public Relations (Advertisement);
- h. Expenses for the State share of Medicaid;
- i. Damages covered by insurance; or
- j. Reimbursement to donors for donated items or services.

C. BUDGET

The schedule of actual or anticipated Subaward expenditures, consistent with the allowable costs identified in the previous section, that are approved by the Department for carrying out the purposes of the Subaward is hereafter referred to as the Budget. The Budget submitted by Subrecipient upon execution of this Agreement will be considered final.

1. Budget Revisions: Subrecipient shall obtain prior approval from the Department whenever a Budget revision is necessary for one or more of the reasons enumerated in 2 CFR 200.308. All requests for Budget revisions that require the Department's approval shall be signed by the Subrecipient or an authorized representative of the Subrecipient and submitted to the Department for approval. Expenditure of funds under a requested revision is prohibited and will not be reimbursed if expended before the Department gives written approval.
2. Discretionary Line Item Transfers: Unless prohibited from doing so in 2 CFR 200.308, transfers between approved line items may be made without the Department's approval.

D. FINANCIAL MANAGEMENT STANDARDS

The financial management systems of Subrecipient must meet the following standards:

1. Accounting System: Subrecipient organizations must have an accounting system that provides accurate, current, and complete disclosure of all financial transactions related to each state- and federally-funded Program. Accounting records must contain information pertaining to state and federal pass-through awards, authorizations, obligations, unobligated balances, assets, outlays, and income. These records must be maintained on a current basis and balanced at least quarterly. Cash contributions to the Program from third parties must be accounted for in the general ledger with other Subaward Funds. Third party in-kind (non-cash) contributions are not required to be recorded in the general ledger, but must be under accounting control, possibly through the use of a memorandum ledger. To comply with 2 CFR 200.305(b)(7)(i), Subrecipient shall use reasonable efforts to ensure that funding streams are delineated within Subrecipient's accounting system. *See* 2 CFR 200.302.
2. Source Documentation: Accounting records must be supported by such source documentation as canceled checks, bank statements, invoices, paid bills, donor letters, time and attendance records, activity reports, travel reports, contractual and consultant agreements, and subaward documentation. All supporting documentation should be clearly identified with the Subaward and general ledger accounts which are to be charged or credited
3. Internal Control: Effective control and accountability must be maintained for all cash, real and personal property, and other assets. Subrecipient must adequately safeguard all such property and must provide assurance that it is used solely for authorized purposes. Subrecipient must also have systems in place that provide reasonable assurance that the information is accurate, allowable, and compliant with the terms and conditions of this Agreement. 2 CFR 200.303.

E. LOBBYING

1. Improper Influence: Subrecipient certifies that no Subaward Funds have been paid or will be paid by or on behalf of Subrecipient to any person for influencing or attempting to influence an officer or employee of any government agency, a member of Congress or Illinois General Assembly, an officer or employee of Congress or Illinois General Assembly, or an employee of a member of Congress or Illinois General Assembly in connection with the awarding of any agreement, the making of any Subaward, the making of any loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any agreement, Subaward, loan or cooperative agreement. 31 USC 1352. Additionally, Subrecipient certifies that it has filed the required certification under the Byrd Anti-Lobbying Amendment (31 USC 1352), if applicable.
2. Federal Form LLL: If any funds, other than federally-appropriated funds,

were paid or will be paid to any person for influencing or attempting to influence any of the above persons in connection with this Agreement, the undersigned must also complete and submit Federal Form LLL, Disclosure of Lobbying Activities Form, in accordance with its instructions.

3. Lobbying Costs: Subrecipient certifies that it is in compliance with the restrictions on lobbying set forth in 2 CFR Part 200.450. For any Indirect Costs associated with this Agreement, total lobbying costs shall be separately identified in the Program Budget, and thereafter treated as other Unallowable Costs.
4. Procurement: Lobbying. Subrecipient warrants and certifies that it and, to the best of its knowledge, its sub-Subrecipients have complied and will comply with Executive Order No. 1 (2007) (EO 1-2007). EO 1-2007 generally prohibits Subrecipients and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments, if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.
5. Certification: This certification is a material representation of fact upon which reliance was placed to enter into this transaction and is a prerequisite for this transaction, pursuant to 31 USC 1352. Any person who fails to file the required certifications shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

F. MAINTENANCE AND ACCESSIBILITY OF RECORDS; MONITORING

1. Records Retention: Records shall be maintained for a period of 6 years after receipt of payment per OIG-CA-20-021 Coronavirus Relief Fund Reporting and Record Retention Requirements. If any litigation, claim or audit is started before the expiration of the retention period, the records must be retained until all litigation, claims or audit exceptions involving the records have been resolved and final action taken.
2. Accessibility of Records: Subrecipient, in compliance with 2 CFR 200.336, shall make books, records, related papers, supporting documentation and personnel relevant to this Agreement available to authorized Department representatives, the Illinois Auditor General, Illinois Attorney General, any Executive Inspector General, the Department's Inspector General, federal authorities, any person identified in 2 CFR 200.336, and any other person as may be authorized by the Department (including auditors), by the state of

Illinois or by federal statute. Subrecipient shall cooperate fully in any such audit or inquiry.

3. Failure to Maintain Books and Records: Failure to maintain books, records and supporting documentation, shall establish a presumption in favor of the Department for the recovery of any funds paid by the Department under this Agreement for which adequate books, records and supporting documentation are not available to support disbursement.
4. Monitoring and Access to Information: Subrecipient must monitor its activities to assure compliance with applicable state and federal requirements and to assure its performance expectations are being achieved. The Department may monitor the activities of Subrecipient to assure compliance with all requirements and performance expectations of the Subaward. Subrecipient shall timely submit all financial and performance reports, and shall supply, upon the Department's request, documents and information relevant to the Subaward. The Department may make site visits as warranted by program needs. *See* 2 CFR 200.328 and 200.331.

G. REPORTING

1. Required Financial Reports: Subrecipient agrees to submit financial reports as requested and in the format required by the Department. Subrecipient shall file quarterly reports with the Department describing the expenditure(s) of the funds related thereto as described below, unless more frequent reporting is required by the Subrecipient pursuant to specific Subaward conditions. 2 CFR 200.207.
 - a. Summary narrative description of how funds were utilized and their impact.
 - b. Itemized list of expenditures including type, description, vendor (if applicable), dollar amount, date incurred
 - c. Identification of the dollar amount of any unspent funds (if applicable)
 - d. Documentation to support the payment of the itemized expenditures, as requested by the Department
2. Ad-hoc Reporting: The Department may request ad-hoc reports and supporting documentation
3. Final Reporting: Subrecipients are required to submit a final report no later than January 31, 2021 to the Department including:
 - a. Summary narrative description of how funds were utilized and their impact.
 - b. Itemized list of expenditures including type, description, vendor (if applicable), dollar amount, date incurred

- c. Identification of the dollar amount of any unspent funds (if applicable)
- d. Documentation to support the payment of the itemized expenditures
- e. Copies of any reporting to the U.S. Department of Health and Human Services (“HHS”) on Provider Relief Funds (“PRF”), Federal Emergency Management Agency (“FEMA”) Streamlined Project Applications, and any other reporting for other sources of funding for financial recovery from COVID-19.

Subrecipient shall submit a Final Report no later than the due date specified by the Department following the end of the period of performance for this Agreement or Agreement termination. The format of this Final Report shall follow a format prescribed by the Department. 2 CFR 200.343.

If an audit or review of Subrecipient occurs and results in adjustments after Subrecipient submits a Final Report, Subrecipient will submit a new Final Report based on audit adjustments, and immediately submit a refund to the Department, if applicable. 2 CFR 200.344.

4. Deobligation: Should the Department determine that a subrecipient has not used its funds consistent with the objectives of the Program or if a Subrecipient has not spent the total Subaward Funds by December 30, 2020, the Subrecipient is to pay the balance to the Department.
5. The HFS CARES Program portal will be the system used for post-award reporting described above. Subrecipients shall register in the portal and use the portal for reporting pending instruction from the Department.

H. AUDIT REQUIREMENTS

1. Single and Program-Specific Audits: If, during its fiscal year, Subrecipient expends \$750,000 or more in Federal Awards (direct federal and federal pass-through awards combined), Subrecipient must have a single audit or program-specific audit conducted for that year as required by 2 CFR 200.501 and other applicable sections of Subpart F of 2 CFR Part 200. The audit report packet must be completed as described in 2 CFR 200.512 (single audit) or 2 CFR 200.507 (program-specific audit), and submitted to the Federal Audit Clearinghouse, as required by 2 CFR 200.512. The results of peer and external quality control reviews, management letters, AU-C 265 communications and the Consolidated Year-End Financial Report(s) must be submitted to the Subrecipient Portal. The due date of all required submissions set forth in this Paragraph is the earlier of (i) 30 calendar days after receipt of the auditor’s report(s) or (ii) nine (9) months after the end of the Subrecipient’s audit period.

2. Audits: Subrecipient shall be subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 USC 7501-7507) and Subpart F of 2 CFR Part 200. Subrecipient shall also retain records to support reported COVID-19 expenditures and participate in other audits conducted by the Federal or State government.

I. TERMINATION; SUSPENSION; NON-COMPLIANCE

1. Termination: This Agreement may be terminated consistent with 2 CFR 200.339.
2. Suspension: The Department may suspend this Agreement, in whole or in part, pursuant to a funding failure or if the Subrecipient fails to comply with terms and conditions of this or any Subaward. If suspension is due to Subrecipient's failure to comply, the Department may withhold further payment and prohibit Subrecipient from incurring additional obligations pending corrective action by Subrecipient or a decision to terminate this Agreement by the Department. The Department may determine to allow necessary and proper costs that Subrecipient could not reasonably avoid during the period of suspension.
3. Non-compliance: If Subrecipient fails to comply with applicable statutes, regulations or the terms and conditions of this or any Subaward, the Department may impose additional conditions on Subrecipient, as described in 2 CFR 200.207. If the Department determines that non-compliance cannot be remedied by imposing additional conditions, the Department may take one or more of the actions described in 2 CFR 200.338.

J. CONFLICT OF INTEREST

1. Required Disclosures: Subrecipient must immediately disclose in writing any potential or actual Conflict of Interest to the Department. 2 CFR 200.112.
2. Prohibited Payments: Subrecipient agrees that payments made by the Department under this Agreement will not be used to compensate, directly or indirectly, any person: (1) currently holding an elective office in this State including, but not limited to, a seat in the General Assembly, or (2) employed by an office or agency of the state of Illinois whose annual compensation is in excess of sixty percent (60%) of the Governor's annual salary, or \$106,447.20 (30 ILCS 500/50-13).
3. Request for Exemption: Subrecipient may request written approval from the Department for an exemption to Prohibited Payments. Subrecipient acknowledges that the Department is under no obligation to provide such

exemption and that the Department may, if an exemption is granted, grant such exemption subject to such additional terms and conditions as the Department may require.

K. LAWSUITS AND INDEMNIFICATION

1. Independent Contractor: Subrecipient is an independent contractor under this Agreement and neither Subrecipient nor any employee or agent of Subrecipient is an employee of the Department and do not acquire any employment rights with the Department or the State of Illinois by virtue of this Agreement. Subrecipient will provide the agreed services and achieve the specified results free from the direction or control of the Department as to the means and methods of performance. Subrecipient will be required to provide its own equipment and supplies necessary to conduct its business; provided, however, that in the event, for its convenience or otherwise, the Department makes any such equipment or supplies available to Subrecipient, Subrecipient's use of such equipment or supplies provided by the Department pursuant to this Agreement shall be strictly limited to official Department or State of Illinois business and not for any other purpose, including any personal benefit or gain.
2. Indemnification: To the extent permitted by law, Subrecipient agrees to hold harmless the Department against any and all liability, loss, damage, cost or expenses, including attorneys' fees, arising from the intentional torts, negligence or breach of contract of Subrecipient, with the exception of acts performed in conformance with an explicit, written directive of the Department. Indemnification by the Department will be governed by the State Employee Indemnification Act (5 ILCS 350/1 *et seq.*) as interpreted by the Illinois Attorney General. The Department makes no representation that Subrecipient, an independent contractor, will qualify or be eligible for indemnification under said Act.

L. OTHER

1. Applicability of CARES Act: Subrecipient understands that any funding provided through the Program is authorized under section 601(a) of the Social Security Act, as added by section 5001 of the CARES Act. The Subrecipient shall follow all requirements of the CARES Act, including, but not limited to, all related guidance, including subsequent guidance, issued by the U.S. Department of the Treasury.
2. Duplication of Benefits: Subrecipient shall not use Subaward Funds for costs which the Subrecipient has received or will receive funds through other grant, insurance, State or Federal sources, including but not limited to CARES and

the PRF, FEMA, the HHS Office of the Assistant Secretary for Preparedness (“ASPR”) and any other source of financial recovery from COVID-19.

3. Mandatory Criminal Disclosures: Subrecipient shall continue to disclose to the Department all violations of criminal law involving fraud, bribery or gratuity violations potentially affecting this Subaward. *See* 30 ILCS 708/40. Additionally, if Subrecipient receives over \$10 million in total Financial Assistance, funded by either State or federal funds, during the period of this Subaward, Subrecipient must maintain the currency of information reported to the System for Award Management (“SAM”) regarding civil, criminal or administrative proceedings as required by 2 CFR 200.113 and Appendix XII of 2 CFR Part 200.
4. Compliance with Applicable Laws: Subrecipient shall comply with the requirements of all applicable federal, state and local laws and the rules and regulations promulgated thereunder. Subrecipient shall comply with the following provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200): 2 CFR 200.303 regarding internal controls; 2 CFR 200.330 through 200.332 regarding subrecipient monitoring and management; subpart E regarding cost eligibility requirements; and subpart F regarding audit requirements.
5. Compliance with Nondiscrimination Laws: Subrecipient, its employees and subcontractors under subcontract made pursuant to this Agreement, shall comply with all applicable provisions of state and federal laws and regulations pertaining to nondiscrimination, sexual harassment and equal employment opportunity including, but not limited to, the following laws and regulations and all subsequent amendments thereto:
 - a. The Illinois Human Rights Act (775 ILCS 5/1-101 *et seq.*), including, without limitation, 44 Ill. Admin. Code Part 750, which is incorporated herein;
 - b. The Public Works Employment Discrimination Act (775 ILCS 10/1 *et seq.*);
 - c. The United States Civil Rights Act of 1964 (as amended) (42 USC 2000a- and 2000h-6). (*See also* guidelines to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons [Federal Register: February 18, 2002 (Volume 67, Number 13, Pages 2671-2685)]);
 - d. Section 504 of the Rehabilitation Act of 1973 (29 USC 794);
 - e. The Americans with Disabilities Act of 1990 (as amended) (42 USC 12101 *et seq.*); and
 - f. The Age Discrimination Act (42 USC 6101 *et seq.*).

6. Compliance Labor and Prevailing Wage Standards: Subrecipient shall comply with the following provisions if spending in excess of \$2,000 in construction related costs. Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327- 333) regarding labor standards. and the Illinois Prevailing Wage Act (820 ILCS 130/1).
7. Medicaid Service Maintenance: Subrecipients are required to offer services to Medicaid clients during the period of performance of this subaward.

SIGNATURE PAGE

Effective Date: This Agreement goes into effect upon the date of State subaward payment issuance. Subrecipients are to return the countersignature no later than 10 days after receipt.

The parties hereto have executed this Agreement.

SUBRECIPIENT:

Signature

Printed Name

Title

Date

ILLINOIS DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES:

Theresa Eagleson, Director of the Illinois Department of Healthcare and Family Services

Date