
**REVISED NOTICE OF AWARD
TERMS AND CONDITIONS**

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I. AUTHORIZATION

This Notice of Award (also referred to as Cooperative Agreement) is issued by the Small Business Administration (SBA), Office of Women's Business Ownership (OWBO), pursuant to the Small Business Act, §§2(h) and 29 (15 U.S.C. §§631(h) and 656), as amended; the Recipient's technical proposal and application for federal assistance submitted in response to Program Announcement OWBO-2010-01; OWBO-2010-01-1; OWBO-2010-01-2; OWBO-2010-02; or the 2011 Work Plan and Budget Request, which are hereby incorporated by reference.

II. REQUIRED SUBMISSIONS/ADVANCE UNDERSTANDINGS

A. **Within 10 business days of receipt, the Recipient must return two signed (using blue ink) originals of this Notice of Award to OWBO, along with completion of the following and/or the items listed below:**

1. **The Recipient must return with the signed Notice of Award, a statement of confirmation**, that its non-profit organization is registered and in "active" status with the Central Contractors Registry (CCR). To check the status of the registration or to update or start a new registration, go to: <https://www.bpn.gov/ccr/default.aspx>. The CCR Federal Service Desk hours of operation are 8:00 a.m. to 8:00 p.m. ET. The phone numbers are: 866-606-8220; 334-206-7828.
2. **The Recipient must return with the signed Notice of Award, a completed SBA Form 1224, Cost Sharing Proposal. (Note: Block 6 of this form should reflect 100% or 50% depending on the annual match requirement of the year of the Recipient's project.) (See Section III. C. 1., Cash Match Requirement.)**
3. **The Recipient must return with the signed Notice of Award, a copy of its organization's most recent audit report.**
4. **The Recipient must return with the signed Notice of Award, any document submitted with its application that has changed since initial submission. (NOTE: This does not include budget, key personnel, and/or technical scope changes. If changes are required in any of these areas, the Recipient should contact OWBO immediately. (Also, see Section V. A., Actions Requiring Prior Approval.)**
5. **The Recipient must submit to OWBO, within thirty (30) days of receipt of this Notice of Award, a copy of its conflict of interest policy signed by all current employees, contractors (to include consultants), and instructors providing services to the WBC project. Updates may be submitted**

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quarterly, thereafter, as necessary. (See Section V. Administrative Information, Paragraph K Conflict of Interest Policy).

6. The Recipient must work with the SBA district office in the achievement of the goals established and submitted in its technical proposal.
 7. The Recipient must maintain a drug-free workplace in accordance with 2 CFR Part 182.
 8. All SBA forms and worksheets required by the cooperative agreement may be obtained at www.sba.gov/wbc.
- B. Funds may not be disbursed under this award until this Notice of Award is countersigned by the SBA **with an approved budget and (if applicable) the prior year award has been reconciled and closed out by OWBO.**

III. WOMEN BUSINESS CENTER PROGRAM PROVISIONS

A. PROJECT DESCRIPTION

The Recipient non-profit is to host a Women's Business Center (WBC) project that will provide technical assistance to women entrepreneurs, both nascent and established. A representative number of clients served by the WBC project must be socially and economically disadvantaged. The Recipient's WBC project must provide assistance to women entrepreneurs in the areas of finance, management, marketing, and other areas as defined in the Program Announcement or Work Plan.

1. The WBC must carry out the services and activities as outlined in its approved proposal for each budget year of the project.
2. The WBC agrees to make every effort to provide its services to all women and to conduct outreach to those who are socially and economically disadvantaged, individuals currently and formerly receiving public assistance, individuals in low- and moderate-income urban and rural areas, as well as special-emphasis groups such as minorities (including Native Americans), 8(a) firms in all stages, veterans and service-disabled veterans, reservists called to active duty, and people with disabilities.
3. The Recipient agrees to explore opportunities for collaborating with community and/or faith-based organizations on initiatives that encourage the establishment and growth of women-owned small businesses.

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B. PROJECT/BUDGET PERIOD AND EXERCISE OF OPTION YEAR FUNDING

1. The Women's Business Center Program was established as part of the amended Small Business Act. The project period for this award will consist of one year. Each additional twelve-month budget period beyond the original initial, sustainability, or renewal award may be exercised at the discretion of the SBA. Among the factors involved in deciding whether to exercise an option for continued funding are the availability of funds, satisfactory performance of the WBC, and a favorable programmatic and financial **review**.
2. The start date of this award is September 30, 2010. The project **activities for this budget period** will run through September 29, 2011.
3. The Recipient will not receive continued funding if there has been an unresolved showing of poor performance through an independent SBA financial examination or a District Office Technical Representative (DOTR) review, improper activity affecting the operation and integrity of the WBC, or a failure to follow the rules and procedures set forth in the applicable legislation passed by Congress, and with executive orders issued by the President and regulations adopted by federal executive agencies, including SBA administrative policy directives, OMB circulars and this cooperative agreement, which are hereby incorporated by reference.

C. CASH MATCH REQUIREMENT (Annual Match)

1. A recipient organization which is in its first and second year of its initial funding is required to match federal funds on a minimum 1:2 ratio (\$1 of non-federal funds for every \$2 of federal funds). All other award recipients are required to match awarded funds on a minimum 1:1 ratio (\$1 of non-federal funds for every \$1 of federal funds). Matching contributions must come from non-federal sources such as state and local public funds, private individuals, corporations and foundations, and income from program services; at least 50 percent must be cash match. The remainder may be in the form of in-kind match. No portion of the match may be from **other** federal sources (except applicable Community Development Block Grant (CDBG) funds).
2. Any non-Federal contributions applied to this award in excess of the minimum amount required (overmatch) are included in the total budget and must be used in accordance with the cost principles applicable to this award.

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D. MATCH CERTIFICATION

It is expected that the Recipient expend cash and in-kind resources at the approximate pace of federal fund expenditures. Cash match expenditures are monitored quarterly; however, a thorough evaluation will be made mid-year to ensure that the center is on pace to meet the annual cash match requirement.

1. Written certification that the matching share has been obtained and expended on this project must be submitted to OWBO with each quarterly SF-425 (Federal Financial Report/FFR), with the exception of the first quarter of the budget period.
2. Quarterly match certification must list the sources, the types, and amounts of match, as well as any designated purpose for the funds specified by the source (must not be for purposes other than the stated mission of the WBC). The certification must be signed by both the WBC director and the host's financial designee.
3. The Recipient must maintain records of all cash, in-kind contributions (including original letters and copies of checks, etc.), and program income. The Recipient is not required to submit these records with its quarterly reports. Records will be reviewed by the DOTR during the mid-year and year-end programmatic and financial reviews and/or by SBA financial examiners.

All contributions must specify the WBC project and the amount to be allocated for the project. Types of written records acceptable as proof of match are:

- a) Cash Contributions
 - (i) A copy of the document from each non-federal source (which may include the host organization) indicating the amount used (or to be used) for the WBC project (promissory notes are not acceptable).
 - (ii) A copy of a check (e.g., personal, certified or cashier's check). The check must indicate the source (contributor) and amount, and that it is a payment to the WBC organization. If the check is not addressed to the WBC, the WBC must indicate on the check the amount to be allocated to the WBC.

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(iii) A copy of a letter that accompanied a cash donation or a copy of the Recipient's acknowledgment or thank you letter to the donor, indicating the donated amount was intended for WBC purposes only and any stated restrictions.

b) Program Income

The Recipient must maintain records of all program income (See definition for program income Section VI. Appendix A: Definitions) generated from the award funds and specify how the income was obtained (in terms of type of activity and amount of income earned for each activity). All program income earned and spent must be reported on the SF-425, Federal Financial Report. The Recipient's written policies and procedures for determining reasonableness, allowability and allocability of costs must include procedures to monitor the receipt and expenditure of program income.

c) In-Kind Contributions

Collaborative efforts with community-based organizations (including faith-based entities) or SBA resource partners must be delineated under written partnership agreements.

The Recipient must maintain a copy of the agreement between the person or the organization donating services, equipment, space or other allowable items.

The agreement must identify the contribution(s) and their/its value.

Donations from other SBA resource partners and federal entities may not be claimed as match.

4. If the Recipient fails to raise and spend the required match, the Recipient will not receive payments during the remainder of the project period. The Recipient will be required to return any federal award funds received that exceed the match expended.

E. PROGRAM REQUIREMENTS

1. Organization and Structure

- a) The WBC may exist within the framework of a larger non-profit organization and may make use of the resources provided by that

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organization, but must operate as a separate, clearly identifiable entity.

- b) **The Recipient will employ a full-time (40 hrs per week) program director whose time is dedicated 100 percent to managing the day-to-day operations of the WBC.**

The program director may not function in any other capacity for the host organization during the 40 hours paid for by this cooperative agreement.

Costs for this position may not be shared by any additional awards received by the Recipient which require the program director to function in any other capacity during the 40 hours required by this cooperative agreement.

This position may not be shared between two or more employees. (See Appendix A for program director definition).

- c) The Recipient may contract out for certain functions as permitted by the terms and conditions of this award, but will not expend more than 49 percent of the total project funds on contractors and consultants in conducting the project. The Recipient is responsible for ensuring compliance with all applicable laws and regulatory requirements regarding such contracting.
- d) At least one staff or consultant function must include program data collection and electronic reporting to the SBA.
- e) The Recipient must have a board of directors or advisory board to govern the WBC. The board of directors is responsible for raising matching funds for the WBC project. The WBC program director may not fundraise during the 40 hours paid for by the grant.

2. **Operations**

- a) The Recipient must have a readily accessible location in its service area, with facilities and administrative infrastructure sufficient to operate. The facility must be available to clients at least 40 hours per week, including evening and weekend hours to accommodate the schedules of working women and women with children. If there is an additional location, the 40 hours may be divided between the two; however, no more than two locations may be counted toward compliance with the 40-hour requirement.

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- b) The Recipient is encouraged to hold a public outreach event (e.g., grand re-opening or refunding celebration) within the first quarter of the project period. The event should inform the public and media about specific plans or accomplishments of the project and must be coordinated with the SBA district office and OWBO.
- c) The WBC program director and other appropriate WBC staff (as needed) will participate in periodic conference calls and SBA-provided audio-and-web training with the OWBO program manager or other OWBO staff.
- d) The **Recipient** must immediately inform OWBO and the DOTR, in writing, of any changes to the WBC (or its host organization) address, telephone or facsimile number, e-mail address and/or website URL.

3. Internet and Website Requirements

- a) The Recipient will provide access to the Internet for staff and clients, and will provide training on use of the Internet, including electronic commerce and the importance of website design and development.
- b) The Recipient must have and support a website. If the WBC is a function of a larger economic development organization, it must have its own page(s) within the organization's website.
- c) The Recipient's WBC website must link to the SBA website (www.sba.gov) and must comply with acknowledgment and graphic requirements as detailed in Section III. E. Program Requirements.
- d) In addition to face-to-face training and counseling, the Recipient will provide online training and counseling via its website and/or e-mail.
 - (i) The Recipient must maintain a system to track individual users of online training and the time spent on the training.
 - (ii) The tracking system must include SBA intake and tracking information for online clients to be counted toward the center's goals using the SBA Forms 641 and 888 forms or their equivalent (See Section III. G. and I, Reporting

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Requirements and Recordkeeping Requirements), that includes the following language:

“I request business management counseling from a Small Business Administration resource partner, the [name of the women’s business center]. I agree to cooperate should I be selected to participate in surveys designed to evaluate the SBA assistance services. I understand that any information received by an SBA resource partner counselor will be held in strict confidence by the counselor to the extent allowable by law.

I further understand that the SBA resource partner counselors have agreed not to: (1) recommend goods or services from sources in which the individual counselor has an interest; and (2) accept fees or commissions developing from any SBA resource partner counselors. In consideration of the provision of management and/or technical assistance by a resource partner counselor, I agree to waive all claims arising out of this assistance, against SBA personnel, the resource partner from whom I sought assistance, its host organizations, and the counselor(s) arising from this assistance.”

- (iii) Online clients must meet the SBA client definition requirements to be counted toward the WBC’s goals. If the WBC is part of a larger organization, only clients of the WBC may be counted. (See Section VI., Appendix A., Client Definitions).
- e) The Recipient agrees not to accept advertising, cross selling or promotions from any advertiser promoting, offering, or selling alcoholic beverages, tobacco products; sexual products (including dating services and pornographic materials); illegal or controlled substances or materials; gambling and gaming devices, products or services; or any other products, services or materials inimical to the mission of this cooperative agreement or that do not assist small businesses and entrepreneurs, as determined by the SBA. If in doubt, the Recipient must clear the advertiser with the DOTR.
- f) The Recipient agrees that prior to using grant funds for developing new website content, distance training or e-commerce materials or

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courses, it will coordinate with the SBA to avoid duplicating existing website content, distance training or e-commerce materials currently available via the SBA's Small Business Training Network. (www.sba.gov/training/onlinecourses/index.html).

4. SBA Logo and Acknowledgment of Support
 - a) The SBA is committed to working closely with its resource partners to provide quality, customer-centric products and services that support the evolving needs of small business. Under the WBC program (as established by the Small Business Act), the SBA provides funding and other support to organizations for the provision of technical assistance to small business concerns. The SBA provides federal funding to the WBC projects under this program on an annual basis, and each WBC operates under the program's regulations and §29 of the Small Business Act. Accordingly, all WBCs are required to appropriately acknowledge the SBA's support.
 - b) It is important that the SBA's role, identity and network of resources be clearly understood by WBC clients. Further, the SBA wants to ensure that all agency and partner resources are fully leveraged, such that product duplication is avoided and sharing is prominent among and between the SBA, WBCs nationwide and other SBA resource partners.
 - c) Under this Cooperative Agreement, each must feature the SBA logo and/or official acknowledgment of support on all materials produced (either in whole or in part) using project funds (i.e., federal funds, matching funds and/or program income). This requirement does not apply to materials that are not produced using project funds. For purposes of this section, the term "materials" includes, but is not limited to, items such as press releases, brochures, reports, advertisements, training booklets, websites, etc. The term "materials" does not include items such as stationery or business cards.
 - d) In addition, while WBCs must display signage featuring the SBA logo at all facilities open to the public, such signage must also prominently feature the acknowledgment of support identified below.
 - e) Where used, the SBA logo may be positioned in close proximity to a WBCs own logo or may be placed in a prominent location

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elsewhere in the material. Additionally, whenever a WBC elects to use the SBA logo, the following statement must appear immediately below or adjacent to that logo:

Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

- f) This acknowledgment of support must appear verbatim and may not be altered or replaced with substitute language. However, on materials with severe space constraints such as signs and banners, a WBC may substitute “SBA” for “U.S. Small Business Administration” in the acknowledgment of support. The acknowledgment of support must be presented in a legible typeface, font size, and (where applicable) color contrast.
- g) On materials for which a WBC does not elect to use the SBA logo, it must at a minimum feature the acknowledgment of support listed above. The SBA logo and/or acknowledgment of support may not be used in connection with WBC activities that are outside the scope of the Cooperative Agreement. In particular, **UNDER NO CIRCUMSTANCES may the SBA logo or acknowledgment of support appear on items used in conjunction with fundraising, lobbying, or the express or implied endorsement of any goods, service, entity, or individual.**
- h) Furthermore, where a WBC produces materials which feature editorial content, it must use the following alternate acknowledgment of support (either independently or in conjunction with the SBA logo):

Funded in part through a Cooperative Agreement with the U.S. Small Business Administration. All opinions, conclusions or recommendations expressed are those of the author(s) and do not necessarily reflect the views of the SBA.

- i) In accordance with Section 504 of the Rehabilitation Act and the Americans With Disabilities Act of 1990, all notices; promotional items; brochures; publications and media announcements informing the public of events, programs, meetings, seminars, conferences and workshops sponsored or cosponsored by the SBA, must include the following accessibility/accommodations notice:

Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. Contact [insert

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name, address, and phone number of person who will make the arrangements].

5. Access and Rights

- a) The SBA will have unlimited license and all rights to use products, materials, and data (excluding private client data), including those prepared or stored electronically, generated either partially or fully under this cooperative agreement, including copyrighted materials.
- b) The Recipient agrees to make all training and/or informational materials (e.g., publications, training guides, online courses, online tools, websites, etc.) developed or funded under this project readily available to the SBA and all its other resource and information partners.
- c) Surveys or information collection conducted by the Recipient as a requirement of this cooperative agreement is subject to the Paperwork Reduction Act, as amended. The SBA agrees that, before requiring the Recipient to conduct a survey or information collection, it will comply with the Paperwork Reduction Act. Surveys conducted by the Recipient, independent of the SBA, are not subject to the Paperwork Reduction Act.

6. SBA Annual Economic Impact Survey

Each year, the SBA undertakes an economic impact survey of all of its resource partners conducted by an outside contractor. This survey is the instrument by which our external and internal stakeholders evaluate the performance of all SBA Entrepreneurial Development grant programs. **Participation in this survey is required as part of this cooperative agreement and failure to participate could jeopardize future funding.** (See Reporting Requirements, below.)

7. Coordination with the SBA and Other Resources

- a) The Recipient will collaborate with the SBA district office on the local level, with OWBO input, on goal-setting each year of the project term.
- b) The Recipient will send the WBC program director and the person responsible for financial management/pay requests to annual training provided by the SBA or any other training as deemed necessary by the SBA.

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- c) The Recipient will use the SBA as a resource partner by:
 - (i) Participating with the SBA in conferences and special programs for women.
 - (ii) Including the SBA in outreach activities and events.
 - (iii) Promoting the SBA programs to the WBC's clients.
 - (iv) Displaying the SBA brochures and the SBA signage (provided by the SBA) in a prominent area at the women's business center location(s).
 - (v) Providing its brochures to the district office to market its programs through the SBA.

- d) The WBC program director will maintain a working relationship with the district director and DOTR in the nearest SBA district office as well as the OWBO program manager throughout the period of this award.
 - (i) The WBC program director will be available for, and responsive to, telephone and written correspondence with the SBA.
 - (ii) The WBC program director is responsible for the dissemination of information to key staff received from the DOTR and OWBO, where appropriate.
 - (iii) The Recipient will provide current and updated contact information to the DOTR and the OWBO program manager. The WBC must immediately inform OWBO and the DOTR, in writing, of any changes to its (or its host organization) address, telephone or facsimile number, e-mail address and/or website.

- e) The Recipient will encourage women entrepreneurs to register on the Central Contractor Registration (CCR), the federal online procurement network (<https://www.bpn.gov/ccr/default.aspx>).

- f) The Recipient will cooperate with the SBA and its other resource partners, which include other WBCs, SCORE, small business development centers (SBDCs), the SBA Microloan Program

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lenders and technical assistance providers, and other SBA resource partners, such as mainstream financial institutions, state and/or local governments, chambers of commerce, loan funds, community colleges and women's organizations, through co-sponsorship agreements and memoranda of understanding.

- g) The Recipient will submit to the SBA for approval any partnership agreements between the WBC and other organizations (including faith-based organizations and the SBA resource partners) that were not included in the approved proposal. Partnership agreements must state each party's role in planned events or activities and be signed by the Recipient and each participant organization.

8. Certifications and Financial Requirements

- a) The Recipient must have and certify each year that it has an established organizational infrastructure with an internal financial management system that meets the standards prescribed in 2 C.F.R., §§ 215.21 - 215.28 ("Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations"). This written statement may be provided by a staff person or other outside entity with financial expertise sufficient to make such a determination (i.e., CFO, financial/accounting specialist, etc.). Include the name, title and qualifications/experience of this certifying individual.

This certification must be provided before any funds for the budget period can be released.

- b) The Recipient must make financial records accessible to the WBC program director so that the program director has the information necessary for a complete understanding of the quarterly financial information, especially as it relates to the detailed expenditures. The WBC program director and the WBC financial representative must approve all expenditures related to the WBC project, endorse WBC bank drafts, purchase requests, ledgers and/or invoices and co-sign financial reports, the request for reimbursement and certifications of match. The WBC program director is responsible for reviewing and approving project expenses prior to submitting financial reports to OWBO for support of payment.
- c) Project funds (federal cash, non-federal cash, in-kind and program income) must be clearly designated for WBC project activities and services, and financial records must be maintained under a separate

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accounting code to ensure a clear audit trail and prevent the commingling of funds.

- d) Financial records for project funds must be reconcilable to the quarterly detail expenditure information submitted to support charges to the WBC project.

9. Mid-Year and Final Programmatic and Financial Reviews

- a) The Recipient consents to Mid-Year and Year-End programmatic and financial reviews of the WBC, as required by the Small Business Act (15 United States Code (U.S.C.) § 656(h), as amended).
- b) Mid-Year and Year-End Programmatic and Financial Reviews are conducted by the DOTR and assess:
 - (i) Compliance with all program legislation, Office of Management and Budget (OMB) circulars, the program announcement, and this cooperative agreement.
 - (ii) Program accomplishments.
 - (iii) The stability of the Recipient's management and financial infrastructure.
- c) The Recipient must provide the DOTR with access to all records, including but not limited to, counseling, training, and financial records. This request may also be sought in advance within a reasonable amount of time and must be adhered to by the WBC.
- d) The DOTR will conduct the Mid-Year Programmatic and Financial Review and submit it to OWBO by March 15th. The Year-End Programmatic and Financial Review must be submitted by August 15th. The Recipient will work with the DOTR to schedule a mutually agreeable time to conduct the reviews within four weeks of the submission date.

F. SBA RESPONSIBILITIES

The SBA's responsibilities with regard to the conduct of a WBC project include, but are not limited to:

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1. Ensuring that WBC activities conform to the requirements of the law, OMB circulars, the program announcement, the cooperative agreement, regulations, and SBA policy by both the OWBO program manager and DOTR.
2. Maintain current and updated contact information by both the DOTR and the OWBO program manager.
3. Monitoring and oversight by both the DOTR and the OWBO program manager of the WBC to ensure that federal funds are used effectively and efficiently. This includes but is not limited to:
 - a) reviewing counseling and training records and files.
 - b) reviewing policies and procedures related to performance under this agreement.
 - c) interviewing WBC clients to determine satisfaction with WBC services.
4. Verification by the DOTR that the WBC has adequate policies and procedures in place to monitor the receipt and expenditure of program income, and ensuring that program income was used properly.
5. Providing written prior approval by OWBO (in coordination with the DOTR and **the OWBO** program manager) of contracts supported by project funds, other than those submitted as part of the proposal, when the amount of funds involved is \$10,000.00 or above.
6. Providing written prior approval by OWBO (in coordination with the DOTR and **the OWBO** program manager) of budget revisions in excess of 10% of the total award.
7. Providing written prior approval by OWBO (in coordination with the DOTR and **the OWBO** program manager) of the selection of all key personnel (**those employees who are key to its success and/or dedicate 50% or more of their time to the project**).
8. Reviewing performance reports (including narrative and data reports) and financial records for completeness and accuracy by the DOTR and the OWBO program manager.
9. Referring clients to the WBC.

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10. Including the WBC in local SBA events for women entrepreneurs, including conferences, workshops, speaking engagements, etc.
11. Conducting a Mid-Year and Year-End reviews by the DOTR as part of the programmatic and financial review of each WBC.
12. Negotiating annual client goals with the WBC through the District Office with OWBO input.
13. Providing District Office support for proposed collaborative activities between the WBC and other SBA resource partners, as appropriate.
14. Distributing the WBC's brochures and marketing materials by the local district office.

G. REPORTING REQUIREMENTS

The Recipient must submit the following reports to the SBA no later than 30 days after the end of each fiscal quarter (with the exception of the annual Economic Impact Data which is due 30 days after the end of the 4th quarter), as described below.

- Performance Narrative
- Data of Counseling and Training Activities (EDMIS)
- Economic Impact Data
- Federal Financial Report (SF-425, Detailed Expenditures Worksheet (Summary and A10C-A16), and signed Certification of Match)
- HHS Payment Management System PSC 425

The SBA may, at its sole discretion, withhold payments if any reporting requirement dates are not met or reports are deemed insufficient.

1. Performance Narratives
 - a) Reports are due no later than 30 days after the end of each fiscal quarter (January 30; April 30; July 30; and October 30).
 - b) The Recipient is required to submit the report, **simultaneously**, to its OWBO program manager and DOTR via e-mail using the format provided by OWBO. The narrative section of each performance report must include:

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- (i) A brief summary of the period's activities, challenges, and accomplishments.
- (ii) A comparison of actual accomplishments to the goals established for the reporting period.
 - (a) If goals were not met, reasons why and a plan of action to overcome the identified difficulties, or
 - (b) A detailed statement of how women business owners will be better served if the goals are revised.
- (iii) A brief summary of actual financial expenditures of budget cost categories versus the quarterly advance and final reimbursement, including an explanation of any cost overruns by more than 10% of the respective cost category.

Financial data furnished in this report **must contain complete and accurate information based on the approved budget and actual financial expenditures for the respective quarter.** The report is from a manager's standpoint and is in addition to the information furnished in the financial reports.

Expenditures may not be applied to the grant outside of an approved cost category or for unapproved key personnel without an approved budget and/or key personnel revision from OWBO.

- (iv) Other pertinent information including—
 - (a) Changes in approved key personnel; (Note: this information is used for reporting only and not as a method for requesting approval for key personnel. See Actions Requiring Prior Approval, below.)
 - (b) Cost(s) of client tuition, if any.
 - (c) Number of economically disadvantaged clients receiving scholarships for client tuition.
 - (d) Activities assisting other small-business and community economic-development organizations,

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such as providing counseling, training and outreach to faith-based and community organizations that devote a significant portion of their activities to supporting the needs of small businesses.

- (e) Success stories in Word or RTF (rich text format) suitable for inclusion in SBA's reports to Congress, speeches or testimony by SBA officials, or press releases or media advisories, etc. that the center has submitted to the district office public information officer for clearance. (Note: the SBA is unable to use success stories that have not been cleared.)

2. Data of Counseling & Training Activities -
Electronic Data Management Information System (EDMIS) Report

- a) Reports are due no later than 30 days after the end of each fiscal quarter (January 30; April 30; July 30; and October 30).
- b) The Recipient is required to either manually enter performance data or upload batch files to the EDMIS system, the Office of Entrepreneurial Development's (OED) centralized data collection system (or other system as designated by the SBA) as their primary Management Information System (MIS) if the system meets all of its MIS needs. However, the Recipient may also choose to maintain existing or complementary systems if it requires more extensive data collection.
- c) The Recipient may review and correct data for 5 business days following the 30 day window at the close of the quarter.
- d) The data collection tools are:
 - (i) Counseling Information Form, SBA Form 641, Parts I, II and III; and
 - (ii) Management Training Report, SBA Form 888 or their equivalents. **The Recipient must complete the SBA Form 888 in its entirety and include all program income generated.**

The formats in EDMIS are based on the above forms. The Recipient must use EDMIS, the above forms, or comparable forms

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to collect and report data. Copies of these forms must be retained at the WBC and made available for review by the SBA (See Recordkeeping Requirements, below).

3. Economic Impact Data
 - a) Reports are due no later than 30 days after the end of the 4th Quarter (i.e., October 30).
 - b) The Recipient is required to submit the economic impact data to OWBO via the EDMIS Impact Data Entry Screen.
 - c) WBCs must follow up with current clients from only the awarded budget period (the current fiscal year) to gather and report the following economic impact data mandated by Congress:
 - (i) the number of individuals receiving assistance.
 - (ii) the number of startup business concerns formed.
 - (iii) the gross receipts of assisted concerns.
 - (iv) the employment increases or decreases of assisted concerns.
 - (v) to the maximum extent practicable, increases or decreases in profits of assisted concerns.

4. Financial Reports (SF-425, Detailed Expenditures Worksheet (Summary and A10C-A16, and signed Certification of Match))
 - a) Reports are due no later than 30 days after the end of each fiscal quarter (January 30; April 30; July 30; and October 30).
 - b) Financial data furnished in each report must contain complete and accurate information based on the approved budget and actual expenditures for the respective quarter.
 - c) Expenditures may not be applied to the grant outside of an approved cost category or for unapproved key personnel without an approved budget and/or key personnel revision from OWBO.
 - d) The Recipient is required to express mail and e-mail the financial reports to OWBO as follows:

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- (i) **Express** mail one (1) original of the financial report, signed in blue ink, to the attention of OWBO via express **carrier** (carrier must provide for tracking of the package) at: U.S. SBA, OWBO, 409 3rd Street, SW, 6th Floor, Washington, DC 20416 (**do not copy financial reports to the OWBO program manager**); and
- (ii) E-mail a copy of the signed financial report, to the Grants Management Officer at carol.greenfield@sba.gov. One (1) e-mail must contain all documents required by the financial report as listed in paragraph e). (Do not send multiple e-mails containing partial reports.)

Formats to be used for e-mailing the financial report are:
1) The Detailed Expenditures Worksheet (Summary & A10C-A16) **MUST** be submitted in Excel (.xls) format; and 2) all other documents and worksheets may be submitted in either .xls or .pdf formats.

- e) The financial reports must include the following:
 - (i) SF-425, Federal Financial Report (FFR).
 - (ii) Detailed Expenditures Worksheets (**Summary and A10C–A16**) providing a breakout of all “actual” federal and non-federal expenses charged to the award for the quarter.
 - (iii) Certification of Match. This worksheet must reflect the funding source, the type of non-federal match (i.e., cash, in-kind or program income), and the amount spent for the WBC project for the quarter. (Note: do not include actual documentation of match (i.e., checks, letters, agreements, etc.) which must be retained for review at the Mid-Year and Year-End Programmatic and Financial Reviews).
- f) The Recipient may include a request to carryover funds not expended in this current budget year along with the fourth quarter financial report. (See Carryover of Funds section, below)
- g) If the Recipient has been approved to carryover funds unexpended in the final quarter of the prior budget year, the Recipient must submit a separate quarterly financial report (SF-425, Federal Financial Report); Detailed Expenditures Worksheets (**Summary**

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and A10C-A16); and Certification of Match to OWBO detailing the expenses of approved carryover funding within 30 days after the end of each quarter of the carryover period.

- h) The Recipient may not include resumes and/or position descriptions of new key or non-key personnel or revised budgets with the financial report. (See Actions Requiring Prior Approval section, below.)

5. HHS Payment Management System

- a) The Recipient must submit the electronic PSC 425 as instructed by HHS within 30 days after each quarter. The Recipient **should not confuse this report with the SF-425** and is not required to submit a copy of the **PSC 425** report to OWBO.

The Recipient is urged to submit its electronic PSC 425 during the same reporting time frame as its financial reports as outlined in 4. a) above, which will facilitate the drawdown process.

- b) For technical assistance regarding the HHS Payment Management System, the Recipient may contact the Accounts Representative at (301) 443-2090 or the Payment Management System Help Desk at (1-877) 614-5533. The hours of operation are 7:00 a.m. – 6:00 p.m. EST/EDT.

H. AWARD CLOSEOUT

At the conclusion of this award (and any final option period), the Recipient must submit final requests for reimbursement within 90 calendar days of the budget end date. After 90 days, any remaining, undisbursed award funds will be deobligated and will no longer be available for draw down by the Recipient. (See also, Carryover of Funds, Section IV, Paragraph D.)

I. RECORDKEEPING REQUIREMENTS

1. Activity Records

- a) WBCs are required to maintain complete and accurate records and supporting documentation to facilitate a thorough programmatic and financial review. All client counseling, training and other activity records must be fully documented.

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b) In addition to the performance and financial reports already mentioned in the Reporting Requirements, the WBC must maintain the following activity records and be made available for the SBA to review upon request:

(i) Counseling Activity Reports

WBCs are required to collect all counseling activities on SBA Form 641, Counseling Information Form (or an equivalent form). Data gathered by this form must meet the minimum requirement as stipulated by OED's EDMIS database. **SBA Form 641 must be signed by the client** and retained by the WBC either electronically or in hard copy.

(ii) Training Activity Reports

WBCs must use SBA Form 888, Management Training Report (or a comparable form) to report small business management training activities (see definitions section for training). WBCs may use a computerized version of this form. Hard copies of these forms must be retained by the WBC.

(iii) WBC Client Evaluation Forms

Evaluations of WBC services or client satisfaction surveys must be collected from clients who received continuous counseling or attend a WBC training event. Hard copies of these evaluations must be retained by the WBC. The Recipient should develop internal procedures to ensure that evaluations are performed and documentation is on file.

(iv) Employee Records

The Recipient must maintain time and attendance records (to include signed timecards, work-logs, etc.) of employees whose salaries are charged to this award. The records must specify the WBC project and be of sufficient detail to create a clear audit and examination trail and to substantiate the percentage of effort expended in support of project objectives.

The records are an after-the-fact determination by the employee or an official having first-hand knowledge of the

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actual daily activity and the total activity of the time worked on the WBC project.

2. Compliance With Federal Regulations

The Recipient is required to comply with all applicable legislation regulations passed by Congress, and with executive orders issued by the President and regulations adopted by federal executive agencies, including the SBA. Information regarding these regulations, policies, laws, and executive orders can be found in Title 13, CFR, Chapter 1.

The following is a brief summary of the various laws and executive orders that affect SBA's entrepreneurial development programs:

a) Paperwork Reduction Act (44 U.S.C. § 3501)

The SBA collects record-keeping information on OMB Form 83-I to better provide business assistance to its clients and for agency analyses related to operating and managing its entrepreneurial development programs. The SBA may periodically use the information collected on this form to produce summary reports for program and management analysis, as required by law. The SBA will also use the individual client data to select participants for follow-up surveys that evaluate SBA business assistance.

b) Freedom of Information Act (5 U.S.C. § 552)

This law provides, with some exceptions, that the SBA must supply information in its files and records to a person requesting it. This generally includes aggregate statistical data on SBA's business-assistance programs. The SBA does not routinely make available a client's proprietary data (without first doing pre-notification, as required by Executive Order 12600) or information that would cause competitive harm or constitute a clearly unwarranted invasion of personal privacy.

For information about the Freedom of Information Act, contact Chief, Freedom of Information/Privacy Act Office, U.S. Small Business Administration, 409 3rd St., SW, Suite 5900, Washington, DC 20416.

c) Privacy Act (5 U.S.C. § 552)

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Any person may request to see or get copies of any personal information that the SBA has in that person's own file when the information is retrievable by individual identifiers, such as name or social security number. Requests for information about another party may be denied unless the SBA has the written permission of the individual to release the information to the requester or unless the information is subject to disclosure under the Freedom of Information Act. Note: Any person concerned with the collection, use and disclosure of information under the Privacy Act may contact the Chief, Freedom of Information/Privacy Act Office, U.S. SBA, 409 3rd St, SW, Suite 5900, Washington, DC 20416, for information about the agency's procedures relating to the Privacy Act.

d) Drug Free Workplace Program

The Recipient must maintain a drug-free workplace in accordance with 2 CFR Part 182.

IV. FINANCIAL INFORMATION

A. BUDGET INFORMATION

1. Following receipt of this cooperative agreement, if there is a change from the proposed funding amount, the Recipient will be required to submit a new budget, for approval, based on the actual amount of funding.
2. All costs approved in the budget must meet the tests of necessity, reasonableness, allowability and allocability in accordance with 2 CFR Part 230, Appendix B. All costs charged to this project are subject to audit and examination.
3. The Recipient must have written policies and procedures for determining reasonableness, allowability and allocability of costs to include the receipt and expenditure of program income, and ensuring that program income is used properly. The Recipient is responsible for insuring proper financial management and accountability of federal funds to preclude possible cost disallowances.
4. If at any time during project period there are changes (one or more) affecting the budget by more than 10 percent (in aggregate), the Recipient must submit a revised budget to OWBO for approval.

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5. The WBC's use of the Detailed Budget Worksheets (**Annual Budget Summary** and B10A-B16), provided by OWBO, is strongly suggested which will simplify and automate the budget process.
6. Indirect costs may not exceed 20% of the total budget for purposes of this WBC project. Indirect costs at this percentage (or lower) will be accepted without negotiation if all costs included meet the test of reasonableness, allowability, allocability.
7. All costs identified in the approved budget are subject to change if costs do not meet the above requirements.
8. If the Recipient has a current approved indirect cost rate agreement provided by its cognizant agency, it must provide a copy to SBA.
9. If the Recipient is in need of an indirect cost rate to be used for its other grant programs, and if SBA, OWBO is the Recipient's cognizant agency/office (the agency/office providing the largest dollar value of awards), or if no definitive approved indirect rate has been established within the last year by the Recipient's cognizant federal agency, SBA/OWBO will determine an acceptable provisional rate (to be used for the SBA grant programs only).

The SBA will also request the Recipient to include in its annual audit a review for indirect rate determination by its auditors. In doing this, a rate will be established by an auditor for the organization and can therefore be used by the SBA and other federal agencies.

However, until such time the audit and indirect rate determination are complete, the SBA will approve a provisional rate to be used for the SBA grant programs only.

B. TRAVEL EXPENSES

Travel costs must be accordance with 2 CFR Part 230, Appendix B and based on incurred costs for travel related to the delivery of WBC services and for SBA travel requirements as stated below:

1. Travel costs are the expenses for transportation, lodging, subsistence, and other official items incurred by employees who are in travel status on official business **of the WBC**. Travel costs are allowable when they are directly attributable to specific work performed under this WBC award project.

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2. Travel costs (mileage reimbursement) are not allowed for commuter travel (employee travel to and from the WBC's place of business and home). Additionally, subsistence expenses are not allowed for local travel (i.e., travel within 50 miles of an employee's assigned work location).
3. Upon request, the Recipient must provide the SBA with copies of airline tickets, hotel bills, receipts, or other documentation verifying the claimed travel expenses.
4. The recipient's budget must include the costs for the WBC program director and the host's financial representative responsible for financial management/pay requests (or other personnel deemed necessary by the WBC) to attend **annual training** to be held over 2-4 days at a location within the continental United States. **The** SBA will specify the dates and locations of these meetings.

C. PAYMENTS

1. Payments may not be authorized for drawdown until the SBA has countersigned the Notice of Award with an approved budget.
2. It is expected that the Recipient expend cash and in-kind resources at the approximate pace of federal funds expenditures (except for first quarter). Cash match expenditures are monitored quarterly; however, a thorough evaluation will be made mid-year to ensure that the center is on pace to meet the annual cash match requirement.
3. Payments are provided electronically through the Department of Health and Human Services Payment Management System (PMS).
4. Payments will be made by advance, not to exceed 25% of the federal share of the award, for the first, second and third quarters, and by reimbursement at the end of the fourth quarter. No fourth quarter advance will be allowed.
5. OWBO retains the authority to adjust the amount of payments or instruct the Recipient to return to the reimbursement method of requesting payments.
6. The Recipient must make every effort to avoid accumulating federal cash balances that earn interest. Advances of federal funds shall be deposited and maintained in insured and interest-bearing accounts (unless the Recipient receives less than \$120,000 in federal awards per year). Interest above \$250 per year must be remitted annually to Department of Health

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and Human Services (HHS), Payment Management System, Rockville, MD 20852. Interest amounts up to \$250 per year may be retained by the Recipient for administrative expense.

7. The Recipient's designated contact person will receive e-mail notification from OWBO when it is authorized to drawdown funds for each quarter.

The Recipient's designated contact person's information, provided to OWBO, must be kept up-to-date and any changes to the designated contact person's contact information or if the contact person changes, this information must be provided to OWBO immediately using the HHS Division of Payment Management - Payment Management System Access Form. The revised form must be mailed to OWBO to the attention of the SBA/HHS Liaison.

8. Advance payment process is as follows:

- a) First Quarter Advance

The Recipient's first quarter advance will be authorized after the SBA has countersigned the Recipient's Notice of Award with an approved budget.

- b) Second Quarter Advance

OWBO will authorize drawdown of the second quarter advance after the Recipient has submitted its first quarter financial report to OWBO as instructed in the Reporting Requirements section, above. (Note: The second quarter advance may be delayed if the Recipient has not completed its final HHS PSC 425 for the 4th quarter of the prior funding year.)

- c) Third Quarter Advance

OWBO will authorize drawdown of the third quarter advance after receipt of the Recipient's second quarter financial report and after reconciliation of all prior quarters' expenses is completed.

The Recipient must submit its third quarter financial report as instructed in the Reporting Requirements section, above.

- d) Fourth Quarter Reimbursement

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The Recipient must submit the SF-270, Request for Reimbursement, along with its fourth quarter financial report, as instructed in the Reporting Requirements section, above.

The fourth quarter reimbursement will not be authorized if prior advance requests have not been satisfactorily reconciled or prior performance reports (including the programmatic and financial reviews) have not been received by OWBO.

e) Carryover of Funds

A written request to carry over funds not expended during this budget year may be included with the fourth quarter financial report and reimbursement request package. A carryover of funds request not received in proper order will delay the fourth quarter reimbursement. (See Section D., Carryover of Funds.)

D. CARRYOVER OF FUNDS

1. The Recipient may request approval to carry over an unexpended balance of federal grant funds to use within the next budget year – **not to exceed 12 months.**

a) A carryover request must be submitted along with the **fourth quarter report** or the funds may be deobligated.

b) Carryover of unexpended funds is permissible only if the funds are to be used for an allowable project or activity and the request is in the best interest of the SBA.

c) A carryover of funds request not received in proper order will delay the fourth quarter reimbursement.

Carryover requests must include:

(i) Correspondence requesting the carryover, which includes narrative justification indicating why the funds were not expended during the period for which they were awarded and the time frame needed to expend the carryover funds. The Recipient is encouraged to expend all funds within the first quarter immediately following the period for which they were awarded.

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- (ii) SF-424 (marked “Continuation”), SF-424A, SF-424a, and Detailed Budget Worksheets (**Annual Budget Summary and B10A-B16**). The amount detailed on these forms must reflect only the amount being carried over and the appropriate non-federal match.
 - (iii) Evidence of match. The match for the carryover must be broken out on the SF-424A using block 6, columns (2)-(4), to reflect non-federal cash, in-kind, and program income (if any), respectively. The match requirement for carryover of funds may be met by using overmatch from the current budget year, an increase in funds pledged by the WBC, overmatch from the year funds were carried over, or a combination of any of these.
 - (iv) Revised milestone chart for the carryover period.
- d) The Recipient must track the carryover funds separately from the subsequent year funding. Therefore, the Recipient must submit a separate quarterly financial report (SF-425, Federal Financial Report; Detailed Budget Worksheets (**Annual Budget Summary and B10A-B16**); and Certification of Match) to OWBO detailing the expenses of the approved carryover funding within 30 days after the end of each quarter **of the carryover period**.
- e) Financial reports, and other correspondence relating to the carryover funds must reference the federal document number assigned to the funds carried forward. The federal document number is indicated on the initial Notice of Award and/or any subsequent modifications.
2. Approved carryover requests involve the issuance of a revised notice of award.

E. DISPOSITION OF PROGRAM INCOME

1. **The Recipient must report all program income earned and spent in each quarter** on financial reports submitted to OWBO. Program income must be accounted for separately as project funds. OWBO with the assistance of the DOTR must approve the WBC’s plan for program income use and must approve all program income earned over 10% of the amount shown in the approved budget.

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2. Program income may be used **in conjunction with the non-federal cash (or solely) to fulfill the requirement of** cash match. **If not used as stated above,** it must be used to further eligible program objectives in the following order of priority:
 - a) To waive tuition or other fees otherwise required for participation in WBC activities by economically and socially disadvantaged clients.
 - b) For reasonable costs related to the WBC project but not included in the initial budget, subject to the written approval from OWBO.
 - c) For continuation of WBC activities after exhaustion of the federal and matching funds, and expiration of the current budget period.
3. Discontinuing Participation in the WBC Program
 - a) If an organization does not apply for and/or receive a renewal award after the conclusion of its WBC project period, it may retain any remaining program income derived from that project provided it agrees to use such funds for the purpose of continuing to assist women entrepreneurs. If an organization does not intend to continue assisting women entrepreneurs after it discontinues participation in the WBC Program, all program income remaining at the conclusion of its last WBC award must be properly accounted for and remitted to the SBA.
 - b) An organization leaving the WBC Program is prohibited by law from receiving a no-cost extension of the final project period of its award. As such, an organization whose award is not selected for renewal or that does not intend to remain in the WBC Program must expend all grant funds prior to the conclusion of the final project period of its award or any remaining amounts will be returned to the U.S. Treasury.

V. ADMINISTRATIVE INFORMATION

A. ACTIONS REQUIRING PRIOR APPROVAL

1. Refer to 2 CFR Part 215 Section 25(c), for a list of the actions that require prior approval. The Recipient must submit all prior approval requests as described below to the DOTR prior to proposed action. All requests must be in writing and include justification and a proposed effective date for the

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change. The DOTR will review the request and forward a recommendation to the OWBO program manager. OWBO reserves the right to approve or disapprove any changes requested by the Recipient.

2. Note especially that prior approval is required for the following changes under the award.
 - a) Changes in the scope or objective of the project. Submit the following as described in paragraph 1 above;
 - (i) Correspondence requesting scope or objective change.
 - (ii) Revised cost and technical proposal (if deemed necessary by the SBA).
 - b) Plans for contracting with others to perform work covered by this award not approved with the initial proposal when the amount of funds involved is \$10,000.00 or above. Submit the following as described in subparagraph V. A. 1.;
 - (i) Correspondence requesting to subcontract or an agreement. If this is a sole source subcontract, the Recipient must include a justification.
 - (ii) Copy of the proposed subcontract or agreement.
 - (iii) Revised SF-424 and budget worksheets (if applicable).
 - c) Changes to the approved budget over 10% of the total award amount. Submit the following as described in paragraph 1 above;
 - (i) Correspondence requesting a budget revision.
 - (ii) SF-424 (marked "Revision"); SF-424A; SF-424B.
 - (iii) Budget Detail Expenditures Worksheet (**Annual Budget Summary** and B10A-B16). Budget must breakout the total amount of the award (federal and non-federal match).
 - d) Changes in key personnel. Submit the following as described in paragraph 1 above;

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- (i) Correspondence requesting a new hire. If requesting approval of a new WBC program director, request must include executive director approval.
- (ii) Resume with sufficient detail to document the experience, education, and other general and special qualifications of the candidate.
- (iii) Position description bearing same title as the position.
- (iv) Revised key personnel worksheet (B10A) and fringe benefits worksheet (B10E), **if changes are required.**
- (v) Updated organizational chart **reflecting the WBC within the host organization and including the new hire's name and title along with all other names and titles of existing WBC personnel.**
- (vi) Revised SF-424 and budget worksheets (if applicable).

B. CONTRACTING AND SUBAWARDS

1. This project cannot be subgranted to a third party. However, the Recipient may contract for certain functions as permitted by the terms and conditions of this award.
2. The Recipient will not expend more than 49 percent of the total project funds on contractors and consultants in conducting the project.
3. The Recipient must submit a copy of a proposed contract for SBA approval when contracting with others to perform work covered by this cooperative agreement when the amount involved is \$10,000.00 or above. Submit request to DOTR as described in Section V., Actions Requiring Prior Approval
4. The Recipient will provide copies of all contracts and reports furnished by contractors and consultants on request.
5. The Recipient shall comply with all applicable procurement laws and regulatory requirements under this award.
6. The Recipient agrees to furnish copies of financial records, contracts, rental agreements, leases, and pay plans agreed upon between the

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Recipient and other parties involving the performance of this project to OWBO on request. Refer to 2 CFR Part 215 Sections 25(c)(8), and 40 – 48.

C. NON-TRANSFERABILITY

This award may not be transferred or assigned (either in whole or in part) and no interest in this award may be conferred upon a third party without prior written approval from the SBA. Failure to abide by this restriction may result in termination of the award.

D. LEGAL SERVICES

1. No costs associated (either directly or indirectly) with civil, criminal, or administrative litigation are allowable under this award.
2. Although award funds may be used to pay the cost of providing non-litigation legal counseling services to either the Recipient or project beneficiaries (where contemplated under the technical proposal submitted with the grant application), all parties receiving such services must agree in advance in writing to waive any claims of privilege over such services with regard to the SBA to the extent necessary for the agency to perform its monitoring and oversight functions. The Recipient must submit a copy of the waiver form that will be used in connection with such services prior to use.

E. PAYMENTS TO SUSPENDED/DEBARRED INDIVIDUALS AND FIRMS

1. No funds provided under this award may be used to pay salaries of employees or costs of consultants, contractors, or other service providers (e.g., accountants, lawyers, janitors, etc.) where such individuals or the firms which employ them are currently under suspension or debarment by a federal agency.
2. The Recipient is responsible for verifying that all employees, consultants, and contractors paid with award funds are not suspended or debarred.

F. DISPUTES

1. All written communications relating to disputes under this cooperative agreement must be transmitted to OWBO with copies of such transmittal provided simultaneously to the DOTR.
2. Dispute Resolution Procedures

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- a) **If the** Recipient wishes to resolve a dispute concerning one or more elements of its cooperative agreement it must submit a written statement describing the subject of the dispute with supporting evidence, to OWBO.
- (i) The Recipient must also send copies of the statement and evidence to the DOTR.
 - (ii) OWBO must respond to such dispute by letter within 30 calendar days of receipt of the descriptive statement.
- b) If the Recipient receives an unfavorable decision regarding the dispute from OWBO, it may make a final appeal to the SBA Grant/Cooperative Agreement Appeals Committee.
- (i) The appeal must be received within 30 calendar days from the date of **OWBO's** letter.
 - (ii) The appeal should be mailed to:

Chairman
SBA Grant/Cooperative Agreement Appeals Committee,
409 3rd Street, SW, 8th Fl.
Washington, DC 20416
 - (iii) Copies of the appeal should also be sent to OWBO and the DOTR.
 - (iv) There is no prescribed form of submission of an appeal. Formal briefs and other technical forms of pleading are not required. However, appeals must be in writing and should be concise and logically arranged. Appeals are required to contain the following:
 - (a) name and address of applicant.
 - (b) identity of the SBA office/program and grant.
 - (c) a statement of the grounds for appeal, with reasons why the appeal should be submitted.
 - (d) any documents or other evidence in support of the appeal not previously furnished to the grants management officer.

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- (e) a request for the specific relief desired on appeal.
 - (f) whether or not a hearing is requested, and if so, reasons why a hearing is needed to resolve the dispute.
 - (v) The case will be presented to the committee for discussion and decision as to whether a request for hearing should be granted.
 - (vi) Any final decision on appeal requires the supporting vote of two members of the committee. The chairman, with advice from the Office of General Counsel (OGC), will prepare a written final decision to be transmitted to the appellant with a copy to OWBO.
- c) Expedited Dispute Appeal Process

When a dispute which may affect refunding arises within 120 days of the end of the budget period, the committee, in consultation with OWBO, may agree, by an affirmative vote of two members, to expedite the appeals process as necessary to reach final resolution of the dispute before the timely issuance of a new grant. At any time during the appeal process, either the appellant or OWBO may submit a written request to use an expedited process.

G. TERMINATION, ENFORCEMENT, SUSPENSION AND NON-RENEWAL

1. If the Recipient materially fails to comply with the terms and conditions of the award, the SBA will take appropriate action to remedy the non-compliance.
2. The SBA will not suspend, terminate or not renew the award without the consent of the Recipient unless it provides the Recipient with written notification setting forth the reasons for such action and affords the Recipient an opportunity to be heard as provided in the termination, suspension and non-renewal procedures set forth in Appendix B. See also 2 CFR Part 215 Sections 61 - 62, and § 29 (j) of the Small Business Act.

H. REFUNDS OF FICA/FUTA TAXES

Refunds of FICA/FUTA taxes received by the Recipient during or after the period of this Award must be refunded or credited to the Government where the benefits

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were financed by Award funds. The Recipient agrees to contact the SBA immediately upon the receipt of any such refunds.

I. AUDIT PROCEDURES

Refer to OMB Circular A-133.

J. ANTI-LOBBYING CERTIFICATION

1. Pursuant to Public Law 101-121, the Recipient is restricted from using appropriated funds for the purpose of lobbying. The Recipient must have a signed SF-LLL on file with the SBA.
2. Disclosure of lobbying activities and certification regarding lobbying are to be provided by Recipients in receipt of funds exceeding \$100,000 on the SF-LLL. Reports of lobbying activities are due at the end of each quarter in which an event requiring disclosure occurs. Forward completed forms to the grants management officer.

3. By signing this notice of award, the Recipient certifies that:

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

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit the SF-LLL, "Disclosure form to Report Lobbying," in accordance with its instructions.

4. The Recipient shall require that the language of this certification be included in the documents for all subs at all tiers (including subcontracts, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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5. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 USC §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
6. An Indian tribe or organization that is seeking an exemption from certification and disclosure requirements must provide the SBA with an attorney's opinion citing the provision or provisions of "other federal law" upon which it relies to conduct lobbying activities that would otherwise be subject to the prohibitions in and to the certification and disclosure requirements of § 319 of Public Law Number 101-121.

K. CONFLICT OF INTEREST POLICY

The WBC must have a written conflict-of-interest policy that is signed annually by all employees, contractors (to include consultants), and instructors of the WBC, and must submit a copy to OWBO within 30 days of receipt of this Notice of Award. Updates may be submitted quarterly, thereafter, as necessary. The policy must include enforceable elements safeguarding the WBC Program from the actual or apparent conflict that could result from:

1. Personal gain from, remuneration by or pecuniary interest in a past or current WBC client(s).
2. The solicitation or acceptance of any gift, loan, reward, equity in a business, compensation or other monetary remuneration or promise of future employment.
3. A compensated recommendation for any goods or services to a WBC client.
4. Soliciting or accepting a compensated position for services which are part of the WBC.
5. Disclosing any private or confidential business or personal information to a third party other than the SBA without written consent of the client.

Where a WBC utilizes volunteers to provide technical assistance to its clients, the WBC must avoid all appearance of favoring or endorsing any outside services the volunteer may provide in her/his private business capacity. For example, while a

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volunteer trainer may provide her/his business card or contact information directly to individual course attendees who request it after a training session concludes, neither the volunteer trainer nor the WBC staff may automatically distribute the volunteer's marketing materials to all course attendees.

L. TRAFFICKING IN PERSONS

1. Provisions applicable to a recipient that is a private entity

- a) The recipient, its employees, subrecipients under this award, and subrecipients' employees may not—
 - (i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
 - (ii) Procure a commercial sex act during the period of time that the award is in effect; or
 - (iii) Use forced labor in the performance of the award or subawards under the award.

- b) The SBA, as the federal awarding agency, may unilaterally terminate this award, without penalty, if the recipient or a subrecipient that is a private entity—
 - (i) Is determined to have violated a prohibition in paragraph 1.a of this award term; or
 - (ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph 1.a of this award term through conduct that is either—
 - (a) Associated with performance under this award; or
 - (b) Imputed to the recipient or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement)," as implemented by the SBA at 2 CFR Part 180.

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2. Provision applicable to a recipient other than a private entity

The SBA, as the federal awarding agency, may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

- a) Is determined to have violated an applicable prohibition in paragraph 1.a of this award term; or
- b) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph 1.a of this award term through conduct that is either—
 - (i) Associated with performance under this award; or
 - (ii) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement),” as implemented by the SBA at 2 CFR Part 180.

3. Provisions applicable to any recipient

- a) The recipient must inform the SBA immediately of any information received from any source alleging a violation of a prohibition in paragraph 1.a of this award term.
- b) The SBA’s right to terminate unilaterally that is described in paragraph 1.b or 2. of this section:
 - (i) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - (ii) Is in addition to all other remedies for noncompliance that are available to us under this award.
- c) The recipient must include the requirements of paragraph 1.a of this award term in any subaward made to a private entity.

4. Definitions. For purposes of this award term

- a) “Employee” means either:

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- (i) An individual employed by the recipient or a subrecipient who is engaged in the performance of the project or program under this award; or
 - (ii) Another person engaged in the performance of the project or program under this award and not compensated by the recipient including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
- b) “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
- c) “Private entity”
- (i) Means any entity other than a state, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.
 - (ii) Includes:
 - (a) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).
 - (b) A for-profit organization.
- d) “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

VI. APPENDIX A: DEFINITIONS

1. **Budget period** – The period in which expenditure obligations are incurred by the WBC. For the purposes of this **cooperative agreement**, the budget period will be from September 30 through September 29.

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2. **Client** – The client is the business, if it exists. In the case of a prospective business, the client is the individual.

In-business – A business that has completed the required registration(s), if applicable, with the local, state, and/or federal governments (e.g., DBA registration, business license, agency-issued tax identifications, etc.).

AND

At least one of the following:

- Has documented a transaction from the sale of a product or professional or personal service for the purpose of gain or profit;
- Has contracted for or compensated an employee(s) or independent contractor(s) to perform essential business functions;
- Has acquired debt or equity capital to pursue business operations (e.g., to purchase inventory, equipment, building, business, etc.); or
- Has incurred business expenses in the operation of a business.

Nascent (pre-venture) entrepreneur – An individual who has taken one or more active steps to form a business. This includes individuals seeking assistance from the SBA and/or one of its resource partners.

Start-up – A business that has been in operation up to 12 months.

3. **Closure** – A period of time when the WBC plans to cease operations, such as a national holiday, annual local event or other extended period of time.
4. **Contribution/donations** – Funds received by the WBC with no conditions and that may be used as match or overmatch in the year expended. Federal funds or amounts reported as match may not be used as contributions to others.
5. **Contact hours** – The amount of time spent directly interacting with a business or individual client.
6. **Co-hosted training (collaborative)** – See **Training**.
7. **Counseling** – Services provided to an individual and/or business that are:

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- Substantive in nature and require assistance from a resource partner or district office personnel in the formation, management, financing, and/or operation of a small business enterprise
- Specific to the needs of the business or individual; and
- Require a signed SBA Form 641 or equivalent form.

Face-to-face counseling – Meets the definition of “counseling” and the initial face-to-face counseling session should be no less than one hour (preparation time may not be included in this initial calculation) and includes any counseling session thereafter regardless of time.

Long-term counseling – Meets the definition of “counseling” and includes 5 or more hours of contact and prep time per individual or business during that federal fiscal year or any prior year.

Online or telephone counseling – Meets the definition of “counseling” and the recipient of the counseling must acknowledge, through an SBA Form 641 or an SBA-approved “electronic substitute,” the requirements imposed by accepting counseling assistance from the SBA or its resource partner(s). (In states that accept electronic signatures, it may contain an electronic signature. In states that do not accept electronic signatures, the form must have an original signature.) Online or telephone counseling should be no less than 30 minutes initially (preparation time may be included in the initial consultation and the total time may include several electronic questions and responses that cumulatively add up to 30 minutes).

8. **Distance learning** – The process of connecting learners with remote and multiple resources. Such learning uses communication technologies to stimulate continuous and lifelong. The technologies used video, audio, computer, satellite, audio-graphic and print technologies.
9. **Electronic commerce (eCommerce)** – Electronic commerce refers to all aspects of business and market processes enabled by the Internet and other digital technologies.
10. **Face-to-face counseling** – See **Counseling**.
11. **Goals and initiatives** – WBC goals are those established in collaboration with OWBO and the SBA district office.
12. **Grants management officer (GMO)** – The SBA official with delegated authority to obligate federal funds by signing the notice of award.

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13. **In-kind contribution** - A non-cash match contribution based on the value of goods and services that are provided to the project.
14. **Key personnel** – An employee who devotes at least 50 percent of her/his time to the project and who serves in a position/role that is vital to the successful operation of the WBC (e.g., program director, etc.).
15. **Long-term counseling** – See **Counseling**.
16. **Nascent (pre-venture) entrepreneur** – see **Client**.
17. **Online or telephone counseling** – See **Counseling**.
18. **Online training** – See **Training**.
19. **Other personnel** – Any employee who provides services that support the WBC Program but whose role is not vital to the project.
20. **Preparation time (hours)** – the amount of time spent preparing and researching information for a business or individual client.
21. **Program director** – A full-time (40 hrs per week) employee whose time is dedicated 100 percent to managing the day-to-day operations of the WBC. The program director’s responsibilities include but are not limited to:
 - Ensuring that WBC program and services are delivered in accordance with the program announcement, notice of award, regulations and statute.
 - Ensuring that the WBC is compliant with the program announcement, notice of award, regulations, statute and OMB circulars.
 - Ensuring that all communications from the Office of Women’s Business Ownership are provided to the appropriate parties of the WBC.
22. **Program funds** – Includes all SBA/WBC federal cash, non-federal cash, in-kind and program income reported on the approved budget, and all matching and overmatch expenditures reported on the SF-425. It does not include other funds under the grant recipient’s umbrella
23. **Program income** – Gross income earned by the recipient that is directly generated by an activity supported with project funds or earned as a result of the award. Program income includes, but is not limited to, income from fees for

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training or other services provided to clients, the use or rental or real or personal property acquired under federal- funded projects, the sale of commodities or items fabricated under an award, and license fees and royalties or patents and copyrights. **Note: program income is not funds donated to the WBC by the host organization (if applicable). This is considered a cash donation.**

24. **Recipient organization** – An applicant organization for which funding is approved and that enters into a cooperative agreement with the SBA. The recipient organization receives the funds and is responsible for establishing the WBC as an entity within the organization.
25. **SBA resource partner** - Organizations that provide services through SBA funding or through another recognized relationship with the SBA. Resource partners include, but are not limited to, SBDCs, SCORE, veterans business outreach centers (VBOCs), WBCs, U.S. export assistance centers (USEACs), SBA Microloan Program intermediaries and non-lender technical assistance providers, and SBA co-sponsorship and memorandum of understanding partners.
26. **Socially and Economically Disadvantaged**

Socially Disadvantaged

Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as members of a group. Social disadvantage must stem from circumstances beyond their control. In the absence of evidence to the contrary, individuals who are members of the following designated groups are presumed to be socially disadvantaged:

- physical handicap
- African Americans
- Hispanic Americans
- Native Americans (American Indians, Eskimos, Aleuts, and Native Hawaiians)
- Asian Pacific Americans (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, U.S. Trust Territory of the Pacific Islands [Republic of Palau], Commonwealth of the Northern Mariana Islands, Laos, Cambodia [Kampuchea], Taiwan; Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Republic of the Marshall Islands, Federated States of Micronesia, Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru; Subcontinent Asian Americans (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands or Nepal).

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Economically disadvantaged individuals – For WBC Program purposes

Economically disadvantaged individuals are socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities. Persons whose household income is at or below 80 percent of the area median income (AMI).

Economically disadvantaged communities – for WBC Program purposes

Based on the New Markets Tax Credit (NMTC) Program definitions: NMTC program supports activities in eligible low-income communities (LICs), which are defined by statute as population census tracts with a poverty rate of 20 percent or greater or a median family income at or below 80 percent of the applicable area median family income.

27. **Start-up business** – See **Client**

28. **Success Story** – A story about a client who has benefited from assistance provided by the WBC and who has an established business (minimum of three years or more). Stories should be approximately two pages long (double spaced) and should include –

Contact information (name, address, phone, e-mail, fax, website)

- Who, what, where, when
- Why the subject is a success story
- How she was assisted by the WBC
- Anecdotes about the subject, location, obstacles overcome, etc.
- Quotes from the subject, if available

NOTE: Success stories are used for media, speeches, congressional testimony, etc. The SBA cannot use the story unless it has been through the clearance process, which begins at the district office with the local public information officer.

29. **Training** – An activity or event in which counselors, staff or external trainers from a resource partner, district office, or SBA co-sponsor deliver a structured program of knowledge, information or experience on an entrepreneurial or business-related subject. The training must last for a minimum of one hour.

30. **Co-hosted training (collaborative)** – Meets the definition of “training” and further defined as an activity where each host organization actively participates and contributes substantially to the training.

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31. **Online training** – Online training is a structured program of knowledge, information or experience on an entrepreneurial or business-related subject and is delivered through a computer or the Internet. It must be of a quality and substantive nature, and must include a registration process as well as an evaluation process (e.g. 1-5 star ranking). Online training can be synchronous or asynchronous. The training must be for a minimum of 30 minutes and a course evaluation must be made available. Online training may be synchronous or asynchronous:
- Synchronous - A group of clients proceed through the training module(s) or program as a group.
 - Asynchronous - A client individually proceeds through the training module(s) or program individually and is self-paced.
32. **Travel hours** – The amount of time spent traveling to and from a location (separate from assigned post-of-duty) to meet with businesses or individual clients. If meeting with more than one client, travel time is counted only once.
33. **Total hours of training** – The total number of hours the trainer spends teaching the training session.
34. **Underserved market(s) – CRA designated areas (12 CFR 228.12)**
Section 228.12 - Definitions

Defines key terms used in the regulation, the section cited here is the definition:

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved non-metropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on—
 - (A) Rates of poverty, unemployment, and population loss; or
 - (B) Population size, density, and dispersion. Activities revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Eligibility may be confirmed by going to <http://www.ffiec.gov/Geocode>.

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Then type: Get Census Demographic: Underserved or
distressed Tract response should be: Yes

35. **Women’s Business Center** – An SBA women’s business center is an organization funded, in part, by a grant from the SBA to provide technical assistance, such as training, counseling, and mentoring to women entrepreneurs, both nascent and existing businesses. The WBC may exist within the framework of a larger economic development organization and may make use of the resources provided by that organization, but must operate as a separate entity.
- The WBC clients reported to the SBA must be those receiving services from the WBC, not from the larger organization.
 - The WBC finances must be accounted for separately from the parent organization.
 - Budgeted WBC funds must only be used for WBC Program purposes.
 - As a WBC grant recipient, the primary client focus must be women. The WBC cannot exclude male clients, but must target women.
36. **Woman Owned Business** – A small business concern that is not less than 51 percent owned by one or more women and the management and daily business operations of which are controlled by one or more women.

VII. APPENDIX B: PROCEDURES FOR THE SUSPENSION, TERMINATION, AND NON-RENEWAL OF COOPERATIVE AGREEMENTS FOR WOMEN’S BUSINESS CENTER PROJECTS

§1 Suspension, Termination, and Non-Renewal

After entering into a Cooperative Agreement with a Recipient Organization, the SBA may take, as it deems appropriate, any of the following enforcement actions based upon one or more of the circumstances listed in § 2 below.

- a) *Suspension.* The SBA may suspend a Cooperative Agreement with a Recipient Organization at any point. A decision to suspend a Cooperative Agreement with a Recipient Organization is effective immediately as of the date of the Notice of Suspension. The period of suspension will begin on the date of the Notice of Suspension and will last no longer than 6 months. At the end of the period of suspension, or at any point during that period, the SBA will either reinstate the Cooperative Agreement or commence an action for termination or non-renewal.

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The Notice of Suspension will recommend that the Recipient Organization cease work on the project immediately. The SBA is under no obligation to reimburse any expenses incurred by a Recipient Organization while its Cooperative Agreement is under suspension. Where the SBA decides to lift a suspension and reinstate a Recipient Organization's Cooperative Agreement, the Agency may, in its discretion, choose to make funds available to reimburse a Recipient Organization for some or all of the expenses it incurred in furtherance of project objectives during the period of suspension. However, there is no guarantee that the Agency will elect to accept such expenses and Recipient Organizations incurring expenses while under suspension do so at their own risk.

- b) *Termination.* The SBA may terminate a Cooperative Agreement with a Recipient Organization at any point. A decision to terminate a Cooperative Agreement is effective immediately as of the date of the Notice of Termination. A Recipient Organization may not incur further obligations under the Cooperative Agreement after the date of termination unless it has been expressly authorized to do so in the Notice of Termination.

Funds remaining under the Cooperative Agreement may be made available by the SBA to satisfy financial obligations properly incurred by the Recipient Organization prior to the date of termination. Award funds will not be available for obligations incurred subsequent to the effective date of termination unless expressly authorized under the Notice of Termination. A Recipient Organization that has had its Cooperative Agreement terminated will have 90 days to submit final closeout documents as instructed by the SBA.

- c) *Non-Renewal.* The SBA may elect not to renew a Cooperative Agreement with a Recipient Organization at any point. In undertaking a non-renewal action the SBA may either decline to accept or consider any application for renewal the Organization submits, or the Agency may decline to exercise any option years remaining under the Cooperative Agreement. A Recipient Organization that has had its Cooperative Agreement non-renewed may continue to conduct project activities and incur allowable expenses until the end of the current budget period.

Funds remaining under a non-renewed Cooperative Agreement may be utilized to satisfy financial obligations the Recipient Organization properly incurred prior to the end of the budget period. Award funds will not be available for obligations incurred subsequent to the end of the current budget period. A Recipient Organization that has had its Cooperative Agreement non-renewed will have until the end of the current budget period or 120 days, which ever is longer, to conclude its operations and submit close-out documents as instructed by the SBA.

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§2 Grounds for Suspension, Termination, or Non-Renewal Actions

The SBA may suspend, terminate, or not renew a Cooperative Agreement with a Recipient Organization for cause. Cause may include, but is not limited to, the following:

- a) Non-performance;
- b) Poor performance;
- c) Unwillingness or inability to implement changes to improve performance;
- d) Willful or material failure to comply with the terms of the cooperative agreement, including relevant OMB circulars;
- e) Conduct reflecting a lack of business integrity or honesty on the part of the recipient organization, the WBC director, or other key employee(s), which has not been properly addressed;
- f) A conflict of interest on the part of the Recipient Organization, the WBC director, or other key employees causing real or perceived detriment to a small business concern, a contractor, the WBC or the SBA;
- g) Improper use of federal funds;
- h) Failure of a WBC to consent to audits, examinations, or to maintain required documents or records;
- i) Failure to implement recommendations from the audits or examinations within 30 days of their receipt;
- j) Failure of the WBC director to work at the WBC on a 100% full-time basis on this WBC project;
- k) Failure to promptly suspend or terminate the employment of a WBC director, or other key employee upon receipt of knowledge or written information by the recipient organization and/or the SBA indicating that such individual has engaged in conduct which may result or has resulted in a criminal conviction or civil judgment which would cause the public to question the WBC's integrity. In making the decision to suspend or terminate such an employee, the recipient organization must consider such factors as the magnitude and repetitiveness of the harm caused and the remoteness in time of the behavior underlying any conviction or judgment.

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- l) Failure to maintain adequate client service facilities or service hours;
- m) Any other action that the SBA believes materially and adversely affects the operation or integrity of a WBC or the WBC Program.

§3 Procedures for Suspension, Termination and Non-Renewal Actions

The same procedures will apply regardless of whether a Cooperative Agreement with a Recipient Organization is being suspended, terminated, or non-renewed by the SBA.

- a) *Taking action.* When OWBO has reason to believe there is cause to suspend, terminate or non-renew a cooperative agreement with a Recipient Organization (either based on its own knowledge or upon information provided to it by other parties), the AA/OWBO may undertake such an enforcement action by issuing a written Notice of Suspension, Termination, or Non-Renewal to the Recipient Organization. The effects of such Notice are addressed in § 1 above.
- b) *Notice requirements.* Each Notice of Suspension, Termination, Non-Renewal will set forth the specific facts and reasons for the AA/OWBO's decision and will include reference to the appropriate legal authority. The Notice will also advise the recipient organization that it has the right to request an Administrative Review of the decision to suspend, terminate, or non-renew its cooperative agreement in accordance with the procedures set forth in § 4 below. The Notice will be transmitted to the Recipient Organization on the same date it is issued by both U.S. Mail and facsimile (or as an e-mail attachment).
- c) *Relationship to government-wide suspension and debarment.* A decision by the SBA to suspend, terminate, or not renew a WBC Cooperative Agreement does not constitute a nonprocurement suspension or debarment of a Recipient Organization under E. O. 12549 and SBA's implementing regulations (2 CFR Part 2700). However, a decision by the SBA to undertake a suspension, termination, or non-renewal enforcement action with regard to a particular WBC Cooperative Agreement does not preclude or preempt the Agency from also taking action to suspend or debar a Recipient Organization for purposes of all Federal procurement and/or nonprocurement opportunities.

§ 4 Administrative Review of Suspension, Termination and Non-Renewal Actions

Any Recipient Organization that has had its Cooperative Agreement suspended, terminated, or non-renewed has the right to request an Administrative Review of the SBA enforcement action. Administrative Review of WBC enforcement actions will be conducted by the Associate Administrator for the Office of Entrepreneurial Development (AA/OED).

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a) *Format.* There is no prescribed format for a request for Administrative Review of an SBA enforcement action. While a Recipient Organization has the right to retain legal counsel to represent its interests in connection with an Administrative Review, it is under no obligation to do so. Formal briefs and other technical forms of pleading are not required. However, a request for Administrative Review of an SBA enforcement action must be in writing, should be concise and logically arranged, and must at a minimum include the following information:

- Name and address of the Recipient Organization;
- Identification of the relevant SBA office/program (i.e., Office of Women's Business Ownership/Women's Business Center Program);
- Cooperative Agreement number;
- Copy of the Notice of Suspension, Termination, or Non-Renewal;
- Statement regarding why the Recipient Organization believes the SBA's actions were arbitrary, capricious, an abuse of discretion, and/or otherwise not in accordance with the law;
- Identification of the specific relief being sought (e.g., lifting of the suspension);
- Statement as to whether the Recipient Organization is requesting a hearing and, if so, the reasons why it believes a hearing is necessary;
- Copies of any documents or other evidence the Recipient Organization believes support its position.

b) *Service.* Any Recipient Organization requesting Administrative Review of an SBA enforcement action must submit copies of its request (including any attachments) to all of the following parties:

Associate Administrator for the Office of Entrepreneurial Development
U.S. Small Business Administration
409 Third St. SW, 5th Floor
Washington, DC 20416
Facsimile number 202-205-6903

Assistant Administrator for the Office of Women's Business Ownership
U.S. Small Business Administration
409 Third St. SW, 5th Floor

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Washington, DC 20416
Facsimile number 202-205-6903

Associate General Counsel for Procurement Law
U.S. Small Business Administration
409 Third St. SW, Suite 5700
Washington, DC 20416
Facsimile number 202-205-6873

- c) *Timeliness.* In order to be considered timely, the AA/OED must **receive** a Recipient Organization's request for Administrative Review within 30 days of the date of the Notice of Suspension, Termination, or Non-Renewal. Any request for Administrative Review received by the AA/OED more than 30 days after the date of the Notice of Suspension, Termination, or Non-Renewal will be considered untimely and will automatically be rejected without being considered.

In addition, if the AA/OED does not receive a request for Administrative Review within the 30-day deadline, then the decision by the AA/OWBO to suspend, terminate, or non-renew a Recipient Organization's Cooperative Agreement will automatically become the final Agency decision on the matter.

- d) *Standard of review.* In order to have the suspension, termination, or non-renewal of a Cooperative Agreement reversed on Administrative Review, a Recipient Organization must successfully demonstrate that the SBA enforcement action was arbitrary, capricious, an abuse of discretion, and/or otherwise not in accordance with the law.
- e) *Conduct of the proceeding.* Each party must serve the opposing party with copies of all requests, arguments, evidence, and any other filings it submits pursuant to the Administrative Review. Within 30 days of the AA/OED receiving a request for Administrative Review, the AA/OED must also receive the SBA's arguments and evidence in defense of its decision to suspend, terminate, or non-renew a Recipient Organization's Cooperative Agreement. If the SBA fails to provide its arguments and evidence in a timely manner, the Administrative Review will be conducted solely on the basis of the information provided by the Recipient Organization.

After receiving the SBA's response to the request for Administrative Review or the passage of the 30-day deadline for filing such a response, the AA/OED will take one or more of the following actions, as applicable: (i) notify the parties whether she/he has decided to grant a request for a hearing; (ii) direct the parties to submit further arguments and/or evidence on any issues which she/he believes require clarification; (iii) notify the parties that she/he has declared the record to be closed and therefore she/he will refuse to admit any further evidence or argument.

REVISED NOTICE OF AWARD TERMS AND CONDITIONS

The AA/OED will only grant a request for a hearing if she/he concludes that there is a genuine dispute as to a material fact that cannot be resolved except by the taking of testimony and the confrontation of witnesses. If the AA/OED grants a request for a hearing, she/he will set the time and place for the hearing, determine whether the hearing will be conducted in person or via telephone, and identify which witnesses will be permitted to give testimony.

Within 10 calendar days of declaring the record to be closed, the AA/OED will provide all parties with a copy of her/his written decision on the merits of the Administrative Review.

- f) *Evidence.* The Recipient Organization and the SBA each have the right to submit whatever evidence they believe is relevant to the matter in dispute. No form of discovery will be permitted unless a party has made a substantial showing, based upon credible evidence and not mere allegation, that the other party has acted in bad faith or engaged in improper behavior.

- g) *Decision.* The decision of the AA/OED will be effective immediately as of the date it is issued. The decision of the AA/OED will represent the final Agency decision on all matters in dispute on Administrative Review. No further relief may be sought from or granted by the Agency. If the AA/OED determines that the SBA's decision to suspend, terminate, or non-renew a Cooperative Agreement was arbitrary, capricious, an abuse of discretion, and/or otherwise not in accordance with the law, she/he will reverse the Agency's enforcement action and direct the SBA to reinstate the Recipient Organization's Cooperative Agreement.

Where an enforcement action has been reversed on Administrative Review, the SBA will have no more than 10 calendar days to implement the AA/OED's decision. However, to the extent permitted under the applicable OMB circulars, the SBA reserves the right to impose such special conditions in the Recipient Organization's Cooperative Agreement as it deems necessary to protect the Government's interests.